CANADA'S WEEKLY NEWSMAGAZINE | www.macleans.ca

MAY 19 2003

MACLEAN'S

SAM ROBERTS ROCKS
The sexy Montrealer may be music's Next Big Thing

BREACH OF TRUST
Wall St. is paying for its sins. Bay St. is another matter.

TEACHER, STUDENT/LOVER
There was a crime in B.C. Was there a victim?

WEST NILE

HOW TO PROTECT YOUR FAMILY



Assessing risks of the mosquito-borne plague

$4.50

20

GENUINE CANADIAN MAGAZINE

0 55113 70001 9



Imagine if the only person you

had to answer to

was you.



There will come a day when you'll want to forge ahead in a new direction. You'll have the urge to go out on your own. To make your own decisions. To build your own empire. Regardless of when you launch this venture, now is the perfect time to start making it happen. Whether you're 25, 45 or older, at Freedom 55 Financial you can start planning for the day your dreams become reality. From risk management to wealth accumulation and wealth distribution, our extensive team of financial security advisors has the expertise and tools to help develop a plan that's right for you. So wherever you're working, you'll be the one calling the shots. For further details, please call us at 1-877-566-5433, or visit our Web site at www.freedom55financial.com

THE FREEDOM TO CHOOSE.™ THE POWER TO GET THERE

Freedom 55 Financial

A division of London Life Insurance Company

Freedom 55 Financial and design are trademarks of London Life Insurance Company

MACLEAN'S

Publisher Paul Jones

Vice-President, Advertising Sales Deborah Trepanier

Advertising Sales
(416) 764-1300
E-mail: sales.ad@macleans.ca
Western Sales Manager Bill Mere
Montreal Director of Advertising Sales Lynn Giguère
Director, Special Projects Rolfe Jones

Toronto Sales Manager Lorraine Hoefler
Account Managers Tammie Marie Claude Beaudry Nick Cino, Colin Jacobs, Debra Song Shelley Tait, Michael Travers (Sr. Acct. Mgr.), Jo-Anne Visconti,
Rob McMullan (macleans.ca) Montreal: Michelin Allie, Julie Choquette, Erick Donohue, Louise-Helene Lanctot

U.S. & International Advertising Representatives Northeastern U.S.: Nicola Clayton Western U.S.: Peter D. Scott England/Scandinavia: David Olivari France, Holland, Belgium/Switzerland: Bernard Pingree, Germany: Renate Gauf, Arne Gauf Spain/Portugal: Flora O'Brien Hong Kong: Iris Kwan, Japan: Shigeru Kobayashi Singapore, Malaysia: Steve Leece Thailand: Jackie Tisapramotkul

Advertising Services Manager Kathryn Murphy
MSA Supervisor Barbara Lavierski
Sales Co-ordinators Allison Burley, Céline Gauthier Veronica Serfilippi, Matthew Whitelock
Receptionist Barbara Murray

Assistant to the Publisher Sally Oates

Director of Marketing Communications Marlina Cruz
Art Director Margaret Kalacska-Kocurkiewicz
Assistant Art Director Dana Verone
Marketing Supervisors Julie Bruene, Lina Graham
Creative Services Specialist JoAnne Summers
Intern Kyle Harrison (Art)

Director of Research Ann Heinmaa

Production Supervisor Hendrik McDermott

Consumer Marketing Director Bruce Murray

Manager, In-Class Program Monica Kusharski

Reprint Requests RSICopyright
Michelle Hegland (877-838-9331)

ROGERS MEDIA INC.

President & Chief Executive Officer Anthony P. Viner

ROGERS PUBLISHING LTD.

President & Chief Executive Officer Brian Segal
Senior Vice-President, News & Business Group Paul Jones
Senior Vice-President, Business Information Group Harvey Botting
Senior Vice-President, The Women's Group Donna Clark
Senior Vice-President, Sales, Consumer Magazines Mitch Dent
Vice-President, News & Business Consumer Magazines Sandra McInnis
Account Manager, Corporate New Business Development Teena Poirier
Senior Vice-President, Consumer Marketing Division Michael J. Fox
Senior Vice-President, Healthcare and Financial Services Group John Milne
Vice-President, Business Planning Renee Chee Wah
Vice-President, Consumer Marketing Tracey McKinley
Vice-President, Production John Hall

NEWS & BUSINESS GROUP

Vice-President, Business Publishing Deb Rosser
Vice-President, Sales Deborah Trepanier
Vice-President, Sales & Marketing, U.S. Northeast Nicola Clayton
Production Director Sabina Cheddie
Director of Online Marketing Mark Jones
Director, Online Operations Helen Hewketts
Web Advertising Services Manager Walter Amaya
Director of Marketing Rachael MacKenzie
Group Director, Consumer Marketing John Matyjekiel
Director of Research Services Sharon Murray
Director, Retail Sales Peter Wilson
Manager of Public Relations Suneel Khanna
Business Manager Aysha Uraz
Controller Elizabeta Jurecka
Marketing Associate Glynis Kilmartin

ROGERS

Maclean's, established 1905, is published weekly, except for occasional combined, expanded or premium issues, which count as two subscription issues, by Rogers Publishing, One Mount Pleasant Road, Toronto, Ont. M4Y 2Y5. Montreal office: 1001 de Maisonneuve Blvd. West, Montreal, Que. H3A 3E1. Vancouver office: Ste. 900 1130 West Pender St., Vancouver B.C. V6E 4A4. Contents Copyright© 2003 by Rogers Publishing Limited; may not be reprinted without permission. *Maclean's* ISSN 0024-9262. Full subscription prices for one year including taxes: $55.08 (GST) $59.21 (HST/QST) U.S.A. $84.48 surface; all other countries, $210.16 airmail. CANADIAN POSTMASTER: Undeliverable copies and change of address notices to: *Maclean's*, P.O. Box 850, Station Main, Markham, Ont. L3P 8H8. Publications Mail Agreement 40070230 registration number 09573. We acknowledge the financial support of the Government of Canada through the Publications Assistance Program (PAP) and the Canada Magazine Fund toward our mailing and editorial costs. U.S. POSTMASTER: Periodicals postage paid at Buffalo, NY USPS 106710. Send address changes (form 3579) to *Maclean's*, P.O. Box 4541, Buffalo, N.Y. 14240. Printed in Canada by Quebecor World Inc.

The Audit Bureau of Circulations Member



MACLEAN'S

CANADA'S WEEKLY NEWSMAGAZINE

Cover Story

WAITING FOR WEST NILE

After SARS, Canadians brace for the imminent return of the mosquito-borne disease—and learn how to avoid it.

16



Features

24 **Politics** | The Continental Divide
The European Union has expanded to include 10 new nations, but is struggling to build consensus on anything else

30 **Essay** | Getting it right in Iraq
If Iraqis devise a successful system of governance, it could spur democratic reforms in other Arab states.

33 **Business** | Breach of Trust
Wall Street has been fined and exposed for scams that tainted many tech-stock deals. But Bay Street was guilty, too.

46 **Q&A** | Carole Taylor
The veteran TV personality, now chair of the CBC, says niche programming is the way of the future for the public broadcaster.

48 **Music** | Sam's fire
Montrealer Sam Roberts is poised to be Canadian rock's Next Big Thing

56 **Law** | The teacher's lesson
The student may say he's no victim, but it's always illegal for an adult to have sex with under-18 charges

59 **Books** | Pits of sorrow
Two books recall the often tragic lives of the men who worked in Nova Scotia's coal mines

60 **VE Day** | 'What a commotion'
In a letter home, Royal Canadian Air Force veteran Edna Wilson wrote of the night when London celebrated the end of the Second World War

Sections

6 **Letters**
11 **The Week**
Fish fights From crabs to constitutions
Scorecard
Tornado alley A week of twisters
Cartoon
Survival A hiker's tale
Passages
63 **Closing Notes**
Celebrity J. Lo heads to Winnipeg
Listings Children's festivals
Internet Marketing meat to girls
Computing Review of tablet PCs
How-to Printing digital photos
People Author Mary Lawson
Diversions Ron Sexsmith
Best-sellers list

Columns

4 **The Editor's Letter**
14 **Mansbridge on the Record**
36 **Donald Coxe**
45 **Mary Janigan**
55 **Over to You**
68 **The Back Page**

COVER: SINCLAIR STAMMERS/SPL/PHOTO RESEARCHERS, CLOCKWISE FROM LEFT: PHOTOGRAPH BY MACKENZIE STROH; PHOTOGRAPH BY PETER BREGG/MACLEAN'S; BILL BENNEARO/PHOTO RESEARCHERS; COURTESY OF EDNA WILSON



THE BAD NEWS BEARERS

People who always focus on negative news can be ex-friends—or journalists

I ONCE HAD a friend who could find the worst in any situation. The fact that he's a *former* friend and that he was such a drag on everyone's disposition are directly related. If it was sunny, it was too bright, if it rained, he despaired. Winter was too cold, summer too hot, spring too messy, and the fall a downer because it marked the end of summer, which he purported to like only after it was gone. On the odd occasion when someone praised him, he questioned their motives; criticism plunged him into the depths of misery. And so on. Life for him was one endless bummer, and he never understood this was so because he made it that way.

Perhaps he should have become a journalist, because a lot of people view those in my line of work as being the same sort of eternal bad news bearers. Find a silver lining, and the media will focus on the cloud to which it's attached. For years, Canadians have been tempted to fall into a funk by stories about the devastating effects of our falling dollar. Only after the loonie began its rise against the U.S. dollar last week did we learn from newspapers that this is apparently also bad for us. It's the same with our overall economy. When our performance lags behind that of the American economy, we fret over our inadequacies, when ours is stronger, as it has been according to several measures in recent years, it's considered an aberration that surely can't last.

That gloomy approach can be shrugged off when the subject is money: as important as it is, after all, it's not a life-or-death matter. But other things *are*, such as SARS and West Nile, and that's where question of approach to coverage becomes more controversial. A friend who's a senior executive at another media company sent me an e-mail the other day in which he took issue with our headline "Fear and loathing of Toronto" for our cover story on SARS. His point was that at the height of the SARS scare, it was fine to refer to fear, but "loathing" misrepresented the feelings of other people toward the city—or, worse, helped feed that emotion. That, in fact, was a point that we made in our cover text underneath—perceptions elsewhere about the effect on Toronto of SARS were in many ways more damaging than the reality that Toronto residents were living through. In short, my friend and I agreed on philosophical fundamentals even as we disagreed on the manner in which the magazine presented them.

The manner in which journalists cover the West Nile virus—the focus of our cover package this week—presents the same sort of dilemma. There's a fine line between alerting people to potential danger—a good thing—or instilling panic. We similarly struggle with the delicate balance between calming excessive fears and underplaying real hazards, which, some people feel, is what happened at the outset of the SARS outbreak, and with the arrival of the West Nile virus in parts of Canada last year.

Just as readers question the motives of journalists, we're aware of the conflicting motives of readers. To a family directly affected by SARS or West Nile, no media report can overestimate the pain and damage involved. But if you run a business in an area affected by either concern, any amount of media discussion of problems seems excessive, because it inevitably has a negative impact on the bottom line. So as my former friend would likely say, the lesson is that you can't leave North America any more because of hazards like war and random terrorism, but you can't stay at home because it's even more dangerous here. Bummer—but somehow, many of you will still manage to have a great summer—journalists notwithstanding.

Anthony Wilson-Smith

response@macleans.ca to comment on The Editor's Letter

MACLEAN'S

CANADA'S WEEKLY NEWSMAGAZINE

Editor: Anthony Wilson-Smith

Executive Editors: Michael Benedict, Bob Levin
Deputy Editor: Peter Kuitenbrouwer
Editor at Large: Ann Dowsett Johnston
Assistant Managing Editors: James Deacon, Patricia Hluchy, Robert Marshall
Section Editors: Shamia Dez el, Jonathan Durbin, Tom Fennell, Barbara Wickens
National Correspondents: Jonathon Gatehouse (National Affairs), Mary Janigan (Public Policy), Katherine MacKlem (Business)
Senior Writers: Brian Bethune, Sharon Doyle Driedger, Daryl Hawaleshka, Brian D. Johnson, Robert Sheppard
Associate Editors: Amy Cameron, Sue Ferguson, Susan McClelland

Bureaus:
Ottawa: John Geddes (Editor/Chief on leave), Julian Beltrame
Atlantic: John DeMont, Quebec: Bernard Aubin, Prairies: Brian Bergman, British Columbia: Ken MacQueen
Research: Patricia Treble (Chief), Meg Floyd, Robert Hrabowsky, John Intini, Michael MacLean, Cynthia Reynolds, Michael Snider (Researcher Reporters)
Library: Sandra McGregor, George Serhijczuk (Library Technicians)
Proofreader: Barbara Righton

DESIGN
Art Director: Donna Braggins
Deputy Art Director: Gary Hall

Art Department: Jamal Hamilton (Designer), Joe Bertolo, Dan Paikowski, Jason Park, Fernanda Pisani, Marko Prpovic, Geneviève Thomas, Bob Wilson (Contributing Artists)
Photo Department: Kristine Ryall (Photo Editor), Catherine Dean (Contributing Photo Editor), Peter Bregg (Chief Photographer), Tracy Boyle, Jeff Harris (Assistant Photo Editors)

PRODUCTION AND TECHNOLOGY
Director: Sean McCluskey
Design Co-ordinator: Buffy Barrett
Systems Co-ordinator: Joe Power
Digital Operator (Contributing): Richard Redditt

ADMINISTRATION
Manager of Editorial Services: Chris Johnston
Editorial Assistant: Hazel Willis

Cartoon Editor: Terry Mosher (Aislin)
Contributing Editors: Barbara Amiel (London), Sally Armstrong, John Bemrose, Warren Caragata (Asia), Rae Corelli, Donald Cox, Mary Dwyer, Will Ferguson, Allan Gregg, Nicholas Jennings, Arthur Kent, Robert Lewis, William Lowther (Washington), Carl McInnis, Peter C. Newman, Jane O'Hara, Chris Wood (Vancouver)
Correspondents: Jerusalem: Eric Silver, New York City: Jennifer Gould
Online Services: macleans.ca (Derek Chezet (Editor)

Publisher: Paul Jones

How to Reach Us

By e-mail:

■ **For letters to the editor, press releases, story proposals:** letters@macleans.ca
With letters, please supply name, address and daytime telephone number. We welcome readers' views, but letters may be edited for space, style and clarity.

■ **For Over to You submissions:** overtoyou@macleans.ca
Submissions to our Over to You guest column that reflect the concerns, joys and lessons of everyday life should contain no more than 1,100 words.

WE'VE MOVED:
Our address since March 7:
Maclean's
11th floor
One Mount Pleasant Road
Toronto, Ont., M4Y 2Y5
Editorial department:
(416) 764-1300
Fax (416) 764-1312

Maclean's Subscriber Services

By phone:
1-888-MACLEANS
(1 888 622 5326)
In Toronto:
(416) 596-5523

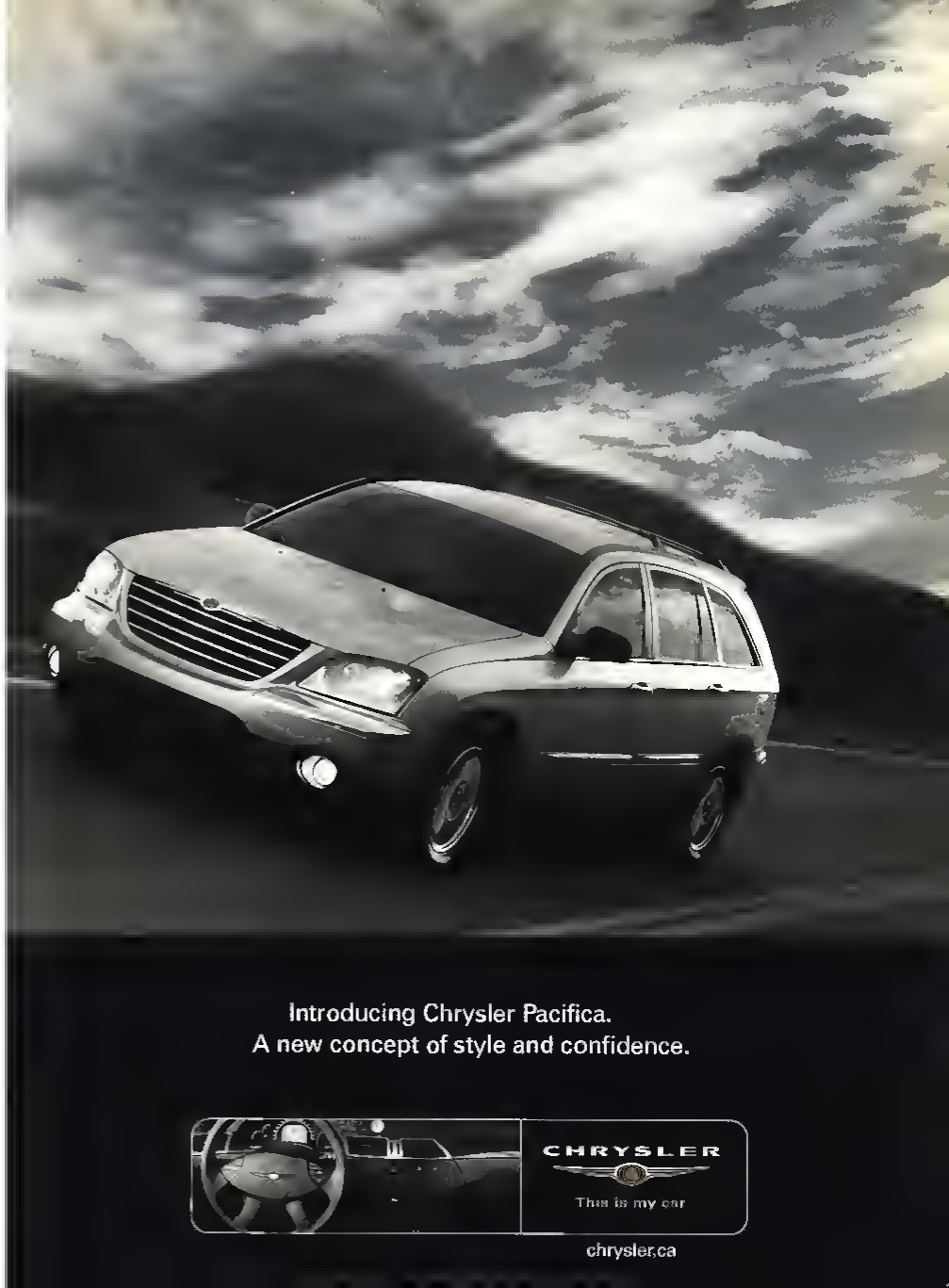
Office Senior
Monday - Friday 8 a.m. to 8 p.m.
Saturday 10 a.m. to 5 p.m. EST

By mail:
Maclean's
P.O. Box 860 Station Main
Markham, Ont. L3P 8H8
On the Web:
www.macleans.ca/service
By e-mail:
service@macleans.ca

Customer Care Services
Visit us on line to:
■ Subscribe or renew your subscription
■ Change your mailing address
■ Check your account status
■ Report delivery problems
■ Check your payment standing
■ Give the gift of *Maclean's*
■ View our privacy policy
■ Access a full text version of the current issue
■ Search our archives for the past three years
■ Learn about the *Maclean's* In Class Program

Mail preferences:
From time to time, other organizations ask *Maclean's* if they may send some of its subscribers information about products or services that might be of interest. If you prefer that we not provide your name and address (e-mail and/or postal), contact us in any of the ways listed at left.

Fragrance-free reading:
Subscribers who do not wish to receive advertisers' scented strips in their copies of *Maclean's* should contact us by phone, mail or e-mail.



'Thanks for making a clear case for gay marriage. It would have been all too easy to sit on the fence as many in the Canadian government have done.' —EREN BILGIN, Whitby, Ont.

Letters to the Editor: letters@macleans.ca

The marrying kind

Maclean's is to be congratulated for the human face put on the issue of same-sex marriage in Suneel Khanna's "Gay and ready to marry" (Essay, May 5). Having watched with disgust the intolerance of so many during the recent cross-country parliamentary hearings on same-sex marriage, it was gratifying that Canada's flagship newsmagazine offered a glimpse of the humanity and dignity that energizes gays and lesbians in their efforts to be recognized as full and fully committed citizens and families.

Douglass St.Christian, Mitchell, Ont.

By highlighting his own family's ability to accommodate his reality into their respectful affections and traditions, Suneel Khanna convincingly illustrates that legalizing same-sex marriages strengthens—not threatens—Canadian families. Knowing that he is a member of your corporate family makes me think I haven't been paying enough attention to your magazine of late.

Ralph Jarvis, St. John's, Nfld.

Mr. Khanna asserts that marriage is a basic right in any civil society, a fundamental mark of citizenship. True enough. However, he proceeds to give his own interpretation of marriage. If everyone gives his or her own interpretation, does it not end up in chaos? I do not condemn or even attempt to criticize those who indulge in homosexuality or lesbianism. It is a way of life for them, and the rest of the society should leave them alone without any form of discrimination. However, there is no need to glamorize them or to make them heroes and heroines in the modern world.

Benedict Thomas, Toronto

As with others before him, Khanna fails to convince that a gay marriage should be afforded legal recognition. The concept of the family has always been between a man and a woman. And on such a foundation is any society built. If we are going to use the argument that gay marriage should be a decision between two consenting adults as the



sole basis of who can and who cannot marry, then where does it ultimately end? Khanna, his partner and anyone else who seek to redefine the concept of family should look at the big picture rather than what is just good for them.

Nick Constantinou, Athens

On a topic that usually causes writers to become vehement and polarized, Khanna is remarkably calm and convincing. Still, marriage may not bring stability to gay relationships. Remember that almost 50 per cent of heterosexual marriages end in divorce. However, it will bring equality.

Tyler Hopson, Regina

I want to congratulate Khanna on his bravery for standing out of the crowd and being proud of whom he is. It's not easy to be a professional and be gay, even in 2003. It is also not easy for a man from his religious/cultural background to make this stand. Sadly, gay and lesbian couples can never be equal—it is physically impossible for them to produce a baby, the crowning point and joy of marriage. Changing the age-old meaning of "marriage" could lead to harmful effects for a state and its future populations. It has always been seen that the father-mother-child unit requires some kind of special recognition and protection to produce the best citizens.

Dorothy Pape, St. Catharines, Ont.

Cuba libre

I would be pretty indignant if some Cuban came along to the toughest parts of urban Canada, asked a few questions, recorded a few colourful quotes and then returned to his country to make sweeping pronouncements about how we are all doing up here. I can imagine there are some Cubans wondering where Benoit Aubin gets off doing just that in "Beyond the *son* and sand," (Cuba, May 5). I recently returned from Calimete, a smallish town about one-third of the way down the interior of the island from Havana. It was badly damaged by the hurricane in 2001, and a group of B.C. students and teachers from Richmond High School went there in March to help build a small community structure. I noted a few comments from students upon our return. "The people don't seem poor—after all we've heard about the poverty, there seems to be a fair distribution. The society seems balanced, unlike ours." "There doesn't seem to be any racial discrimination in Cuba—we don't seem to have achieved yet the ease of the Cubans among the races." "People act like brothers and sisters, and they included us in that." Our students understood the social sophistication that is the result, perhaps, of needing to make something other than material goods the central issue. Cuba has not left Spaceship Earth, as Aubin declares, but is very much a part of our planetary reality, and an instructive part at that.

Jane Kinegal, Vancouver

What a mean piece about the mean streets of Havana. I thought the Cold War was over, Aubin makes no mention in his article of why 78 dissident traitors were rounded up. Could it be a case of selective blindness to overlook the omnipresent CIA embedded in Havana under the guise of American consulate officials? They were caught red-handed—or should I say red, white and blue?—organizing rallies, spreading yet more American bribery money to Cuban dissidents-in-training. Also, it's not enough that the Cubans have

ILLUSTRATION BY MAURICE VELLEKOOP

SAMSUNG

DigitAllescape

DVD-L100

Lose yourself in the new Samsung Portable DVD Player.

Retreat to anywhere with your favorite movies or music. It's all in one simple, stylish device. Watch or just listen and let go.

- Large 10" Screen
- Virtual Surround Sound
- Plays Multiple Audio Formats
- Memory Stick Compatible
- Extended 6-hour Battery Life Option

Find out more at **www.sameung.ca** or call 1-800-SAMSUNG* (726-7864)

*For Mississauga call 905-542-3837

©2002 Samsung Electronics Canada Inc. All brand and product names are trademarks or registered trademarks of their respective companies. Product appearance and specifications are subject to change without notice. Check with your local retailer for availability and pricing.

SAMSUNG DIGITall everyone's invited™

DigitAllwhere?

BEST BUY · HIFI2000 · the Bay · Leon's · Office DEPOT · Brentview Electronics · Bay Bloor Radio

to contend with a 42-year-old U.S. embargo, but they also have to contend with snide references about their cannibalized jalopies that are as they are because of no available spare parts for close to 50 years.
Saul Holiff, Nanaimo, B.C.

Benoit Aubin reminds us that, for a glimpse at the destiny of Iraq and future American freedom sites, all we have to do is look back at Cuba "in pre-globalization days when it was a banana republic run by American gangsters" and their puppet, dictator Fulgencio Batista.
Ed Gilbert, Collingwood, Ont.

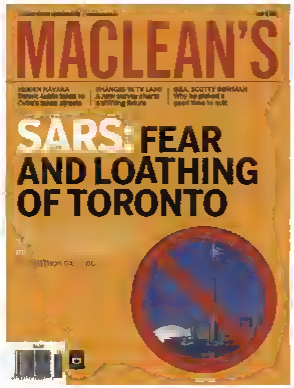
Losers in the SARS war

While Canada Customs and Revenue Agency was busy searching travellers' underwear and socks looking for smuggled bottles and cigarettes, SARS walked in unimpeded ("SARS: fear and loathing of Toronto," Cover, May 5). Canadians trust that our federal government is on the front lines defending our country from external threats, but the lack of SARS action on the ministerial level was nothing short of criminal. Ineptitude and silence are not qualities that instill faith in Canadians. Our international reputation has been dirtied by this incompetence.
Terrance A. Mycyk, Cambridge, Ont.

A loser, by definition, is one who fails to learn from past mistakes, and those at the top of all three levels of government certainly qualify. Toronto Mayor Mel Lastman's knee-jerk reaction, unsupported by a command of the facts, did more harm than good during the SARS crisis. Jean Chrétien obviously learned nothing since skipping the funeral of King Hussein of Jordan a few years ago in favour of an ill-timed ski holiday. And Ontario Premier Ernie Eves opted for a golfing trip in Arizona during the peak of what should have been a concerted effort to contain the crisis. Courage and good judgment aside, did none of these men not at least see the optics in their chosen course of inaction? The real crisis lies at the top.
Claude Morrison, Toronto

What they really, really want

What the polls in "The new view from TV land," (Technology, May 5) seem to show is that more and more people are resorting to "illegally" downloading media. Buying a CD for $20 that has only one or two songs I want



to listen to on it is the most frustrating thing in the world. Without doubt, "stealing" these songs off the Internet is far easier, and I justify it by looking at the way record companies have been ripping people off with one-song CDs for years. It's payback time. Media sharing can't be stopped, regardless of what the law says. It is way too convenient and way too popular. People will get what media they want whether they have to buy it or not, and unless the industry starts looking very carefully at how to stop people from feeling ripped off, it will go down faster than any corporate accountant can predict.
Daniel R. Owen, Vancouver

War fallout

When White House spokesman Ari Fleischer warned Iran that the U.S. would not tolerate "outside interference" in Iraq's road toward democracy, the unintentional humour of this statement must have escaped him ("When hawks soar," Iraq, May 5). Life sometimes truly is stranger than fiction.
Andrew Walls, Guelph, Ont.

How insulting for a Canadian to pretend to know anything about the mood in America by talking with military guys at a bar a stone's throw from the huge Norfolk, Va., naval base. How insulting to suggest that the present public policy represents a 21st century *pax americana*. U.S. military success will now give an opportunity for diplomats to quickly return to negotiating tables around the globe and to find new opportunities for breakthroughs in North Korea, Saudi Arabia, Iran and in the Israeli-Palestinian conflict—breakthroughs that benefit the world, including Canada. The UN has become a bizarre alliance of hippies and dictators co-dependent on each other to such an extent that it has become little more than a chat room. As long as international organizations remain weak by valuing international representation over accountability, America will be forced to counter radicals in the world with a well-maintained military force.
Martin Hehn, Seattle

Move over, Don Cherry

As one who has spent his entire working life in broadcasting, I got a real kick out of Bill MacLean's suggestion, in response to my earlier letter to the editor, that I might like to participate in a job-exchange program with Don Cherry ("But does he wear plaid?" The Mail, May 5). While I do have the necessary professional experience and at least a couple of plaid shirts (albeit, in muted earth tones), I'm afraid that I've never been much of a sports enthusiast. But, Bill, if you can get me a gig at the CBC in some other department, I'll be only too happy to make good on my threat to emigrate. Yours is an infinitely kinder and gentler nation, and I would feel privileged to be a part of it.
Greg Tyrey, Oklahoma City

Future considerations

Neither Margaret Atwood ("Atwood apocalyptic," Books, April 28) nor Robert J. Sawyer ("Science and salvation," Books, April 28) has it right. Atwood's story is a grotesque exaggeration of every negative trend she can identify, while Sawyer views the future through rose-tinted spectacles. The future will see spectacular achievements in science and technology as well as horrendous disasters, but mankind will continue to muddle through, demonstrating the resilience and adaptability that has enabled the species to survive for the past 100,000 years or so.
Rae Wigen, Whitehorse

Hooray for Margaret Atwood! Another major novel to her credit. Although *Oryx and Crake* floods the palate with flavours reminiscent of *Zardoz* and *Dune*, her novel leaves the bitter aftertaste that man's arrogance in his belief that he is the end-all species to dominate this planet may simply be a biological bubble about to burst. Maybe our brief flash in time is all we get.
George Wasylyk, Mississauga, Ont.

Why get stuck with one airline when you can redeem points on over sixty?



THE WISDOM OF HAVING CHOICES



Apply now and get 7500 bonus points

Redeem on over 60 airlines in Canada and around the world with the new RBC Royal Bank® *Visa*® Platinum Avion Card. And with no travel blackout periods you can travel where you want, when you want. Earn one point for every dollar you spend, plus redeem points through RBC Rewards™ for holiday packages, car rentals and more. Shouldn't your travel card give you this kind of flexibility?

To apply call 1-877 ROYAL® 4 2 or visit www.rbcroyalbank.com/cards/avion35. Bonus offer ends June 30/03

RBC Royal Bank

A member of RBC Financial Group

Bonus points will be awarded on you[illegible] Offer ends [illegible] 30, 2003. ™Trademark of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada. ®Registered trademark of Royal Bank of Canada. Registered trademark of Visa International Service Association. Used under license.

KALIYANA
innovative designs
515
SUSSEX
OTTAWA
613 562 3674
4107
ST-DENIS
MONTRÉAL
514 844 0433

MACLEAN'S BEHIND THE SCENES



PHOTOGRAPH BY ANDREW BARTULA

A JOURNALIST'S INSTINCT

When *Maclean's* National Correspondent Jonathon Gatehouse (above) learned that Mary Jean Bitos was under arrest in Kuwait City for the murder of her husband Luc Ethier, his instincts told him something was wrong.

"It didn't add up, because she'd been shot three times by the person who killed Ethier," says Gatehouse of the October 2001 murder. "So I asked to go to Kuwait to look into it."

That investigation led to the cover story, "Murder Mystery in Kuwait" (March 18, 2002). And not only did Gatehouse's hunch pay off—Bitos was subsequently exonerated—but the piece is a National Magazine Awards finalist in the investigative journalism category.

The nomination is one of two Gatehouse received in that category. The other was also for a murder investigation: "Murder at Giant Mine" (Aug. 19, 2002), which revisited the September 1992 explosion in Yellowknife that killed nine people. Gatehouse received a third nomination, in another category, for his Dec. 23, 2002 profile of Justin Trudeau, "Justin's Time."

"The three nominations are a measure of Jonathon's versatility," says Editor Anthony Wilson-Smith, who hired Gatehouse in 2001. "He can tackle everything from cultural issues to political campaigns to international conflict with great skill."

This is a banner year for *Maclean's* at the National Magazine Awards with a record 14 nominations. Other nominees include Senior Writer Brian D. Johnson and Editor at Large Ann Dowsett Johnston, with two apiece, Contributing Editor Will Ferguson and Executive Editor Bob Levin, who oversaw *Maclean's* special 2002 Winter Olympics issue. Art Director Donna Braggins and the art department received five nominations.

"We're tremendously encouraged by the mix of writing and visual award nominations," says Publisher Paul Jones. "When Tony became editor he said that he wanted a magazine of ideas with an exciting visual presentation. The nominations show we're on track and that others are noticing."

For further information contact: behindthescenes@macleans.ca



Art not imitating anything.

Consider this bold collaboration. You and the incomparable 911 Carrera. Wrap yourself in the driver's seat, feel the surge of the hand-assembled, rear-mounted 320 hp engine, and every twist and bend of the road becomes pure artistry. Contact us at 1-800-PORSCHE or porsche.com

The 911 Carrera

PORSCHE

JANUARY 27 2003

GUARANTEED!

❑ To turn you into an

Office Water-Cooler Prophet*

*Culture. Arts. Economy Science. Politics. There's enough in every issue of Maclean's to let your big brain shine.

In just one issue!

To subscribe call 1-888-MACLEANS or online at www.macleans.ca/service. Quote code P35R010A0

Name
Address
City
Province
Postal Code

ROGERS

MACLEAN'S

24

prime minister *A la prochaine*, perhaps?

28 **Justice** | An arduous journey' Friends and family of Vancouver's missing women gather for pig farmer Robert Pickton's preliminary hearing.

30 **Business** | Golden oldies Selling used and rare books on the Internet has turned Victoria's Abebooks into a global success story and changed how the industry works.

34 **Will Ferguson's Canada** | Montreal The city is like a jazz medley but nothing seems to quite fit.

37 **Conservation** | Yellowstone to Yukon A proposed 3,400-km wildlife corridor stirs up passions—for and against.

40 **Q&A** | Seán Cullen The CBC's latest comedy star trashes U.S. television and solves the Iraq problem.

43 **Voiceover** | 'We didn't have gloves' Three Kenyans enter the Quebec Winter Carnival's snow sculpture carving contest.

45 **Books** | Life on the inside David Frum reflects on his White House year as a Bush speech writer.

46 **Opera** | The bootlegger and his moll A sensational true story from the era of Prohibition is now a Calgary opera.

6 **Letters**
10 **The Week**
Military Friendly fire pilots
Scorecard
Pornography Who's Pete Townshend?
Cartoon
Passages
Business Manulife's D'Alessandro

48 **Closing Notes**
Business Foxy entrepreneurs
Listings A night at the theatre
Music Three decades of Tom Cochrane
Film John Cusack talks about Hitler
People A Canadian tiger trainer abroad
Best-sellers list

Columns

4 **The Editor's Letter**
14 **Mansbridge on the Record**
32 **Donald Coxe**
42 **Mary Janigan**
44 **Over to You**
52 **The Back Page**



Fish fights | From Shippagan's wharves to the constitutional salons

It's a spring ritual, right up there with garage sales. Somewhere in Atlantic Canada, a new fishing season is opening, and somewhere in this unhappy stew of too many entitlees chasing too few fish, anger bubbles to the surface. This time it bubbled on the wharves of northern New Brunswick (and to a lesser extent in P.E.I. and Gaspé), as angry crabbers burned boats and decided to boycott their own reasonably lucrative fishery, also in the legislature in St. John's, where a Liberal premier up for re-election wants to reopen a constitutional can of worms. Of the two, the crabbers are easier to understand.

Crab prices have fallen recently but they still bring in over $100 million to the Gulf area, and quota-holders can earn $600,000 (from which they have to pay crews) for three months' work. Ottawa wants to reallocate 28 per cent of the Gulf catch to hard-hit inshore, native and lobster fishermen. Also to slash the quota by 20 per cent for conservation. Hence the bubbling anger.

Ottawa is also the villain in Newfoundland, for closing the last of the cod fisheries and for ridiculing Premier Roger Grimes when he said he wouldn't prosecute frustrated fishermen who might break the law. Grimes then demanded constitutional change to allow for co-management of the fishery, a stance gaining a head of steam on the Rock. But joint fed-prov management is costly and by no means popular in all of Atlantic Canada. So who will back him at the table?

Ottawa's response: To the crabbers, it will renegotiate the plan but existing quota holders have to share the booty. And to Newfoundland, go see if the other provinces really want to get into the Constitution-amending game. Ha ha, it's no doubt thinking. But with as many as seven provincial governments going to the polls this year, picking away at federal powers is the kind of dark menace from the deep that can easily bubble to the surface.



Angry crabbers in Shippagan, N.B., set fire to boats; Grimes wants to change Newfoundland's Terms of Union

ScoreCard

The Playoff Edition

▲ **Low Payrolls:** Penny pinching Anaheim, Minnesota, New Jersey and bankrupt Ottawa play on as big spending St. Louis, Dallas Colorado, Detroit, Philadelphia and Toronto watch. As usual, the rich get all the leisure time.

▲ **Little guys:** Bench the bruisers. The post-season's heroes are speedsters like Cliff Ronning (5'8), Martin St. Louis (5'9) and Wes Walz and Paul Kariya (both 5'10). Are Don Cherry's dinosaurs dead?

▲ **Winning for Walt.** Disney finds magic formula for its sports franchises. Puts Anaheim-based baseball and hockey teams up for sale. Sad-sack Angels win the World Series. Then the once-woeful Mighty Ducks advance to the Stanley Cup semis. Must be the pixie dust.

◀▶ **Plaid vs. Gel.** Western TV viewers complain they never got to see Don Cherry on Canucks' Hockey Night in Canada telecasts. Is that because they like bad suits, or they hate Kelly Hrudey's hair?

▼ **Canuckleheads.** With Dallas, Detroit and Colorado on the sidelines, Vancouver had its best ever shot at a Stanley Cup. Then the Canucks blew a 3-1 series lead. Then they blew a 2-0 lead in the deciding game 7. Then the possibility of an all-Canada final evaporated. Gag.

Quote of the week | **'It's time the human race evolved to accommodate the need to self-medicate.'** Marijuana activist **DAVID MALMO-LEVINE** before the Supreme Court of Canada

ANDREW VAUGHAN/CP; JOE GIBBONS/ST. JOHN'S TELEGRAM/CP PICTURE ARCHIVE



TORNADO ALLEY A series of twisters—84 in one two-day period alone—rampaged through the American heartland all last week, from Alabama to southern Illinois. At least 40 people died and destruction was widespread, including 300 homes in an Oklahoma City suburb

DAVE KAUP/REUTERS

WORLD

SARS The deadly respiratory disease expanded its hold on rural China where thousands of villagers rioted in rare protest against government measures. Scientists reported SARS has unusual staying power—surviving in fecal matter and on surfaces like doorknobs for hours. Its death rate is also much higher than previously reported, killing between nine and 15 per cent of victims in Ontario, the World Health Organization said.

Because of SARS, the University of California at Berkely, that bastion of free speech, will turn away 500 summer students from China, Hong Kong, Taiwan and Singapore.

IRAQ Post-Saddam Iraq could have an interim government within two weeks, U.S. authorities said. But the U.S. and Britain propose running the country as **"occupying powers"** for at least a year. A trial run of municipal elections in Mosul, a city of about one million, produced councillors from different groups and a mayor who was a general in Saddam's elite Republican Guard.

In what may be the biggest bank heist in history, Qusay Hussein, son of Saddam, employed three tractor trailers to cart away nearly US$1 billion from **Baghdad's central bank** just days before the U.S. invasion, bank officials said.

ITALY Billionaire Silvio Berlusconi had the **dubious distinction** of becoming the first Italian prime minister to testify at his own corruption trial. He denied he did anything wrong, accused former prime minister Romano Prodi, now president of the European Commission, of having a part in the decades-old business scandal now before the courts, and launched a media campaign accusing the country's judges of plotting "a constitutional coup."

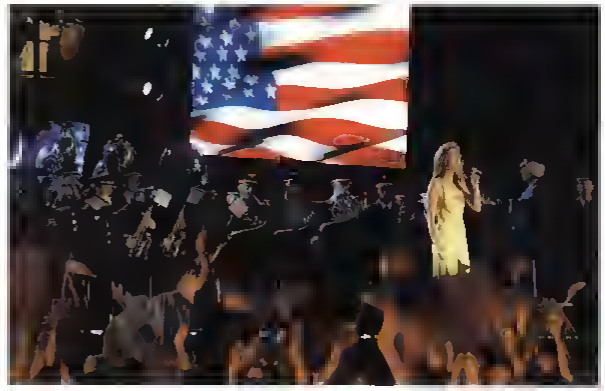
CONGO Up to 129 people, many of them police and their families, were sucked from a cargo plane in mid-flight when a rear door **burst open** while flying at 7,000 ft. All are presumed dead. Pilots were able to land the plane.

PAKISTAN In a week of occasionally promising high-level talks, Pakistan offered to disarm its **nuclear arsenal** if India does the same. India rejected the idea, saying it has more security concerns than Pakistan—a reference to China with which it fought a brief territorial battle in 1962.

FOLLOW-UP British rocker Pete Townshend, investigated in January after visiting an Internet child porn site, will not be charged but had his name added to a **sex offender registry** for five years. He said he viewed the site as research to help him understand his own abuse as a child.

U.S. Pte. Jessica Lynch, the rescued PoW, has **amnesia** and is said to remember nothing about her ambush or capture in Iraq.

James Kopp, an **anti-abortion activist** who admitted killing Buffalo, N.Y., Dr. Barnett Slepian in 1998 in what he said was an attempt to wound, was sentenced to 25 years to life in prison. He also faces charges in the shootings of doctors in Canada.



SECRET WEAPON Quebec songstress Celine Dion belts out "God Bless America" aboard the USS Truman as Canada-U.S. tensions start to ease. U.S. Ambassador Paul Cellucci said relations are "pretty much back to normal" and closer energy ties are high on Washington's agenda

STAFF SGT. DOMINIC HAUSER/U.S. AIR FORCE/REUTERS

CANADA

DEPLOYMENT Nearly 1,800 Canadian troops were told they would be shipping out to Afghanistan this summer for **peacekeeping duties.** Canada may take over international command of the operation in six months. But a contingent of officers showed up without official Canadian permission to carry weapons on the mission and were being escorted about by Germans.

Ottawa is planning to introduce **iris scanners** to selected airports by July. The devices are for frequent cross-border travellers to the U.S. who wish to bypass routine security by agreeing to store biometric identification in a database.

REBUKE Ontario's supposedly election-bound Conservative government undermined the provincial legislature and **diminished democracy** by delivering its "made-for-TV" budget last month at an auto parts facility, not in the legislature, Tory Speaker Gary Carr ruled.

RUNAWAY COUNCILLOR A Lethbridge, Alta., alderwoman who sparked a manhunt in the U.S. and nationwide headlines at home has been charged with **lying to police.** Darlene Heatherington, 39, a married mother of three, initially told police she had been abducted while on a business trip to Montana and taken to Las Vegas. Heatherington then said that she went to Vegas with a married man from Alberta. Her family said she is seeking medical help.

RECALL A constituent initiative to recall B.C. Premier Gordon Campbell over provincial budget cuts fell well short of the required 40 per cent of registered voters. It was the seventh failed attempt at **forcing by-elections** under the controversial legislation, all involving governing Liberals.

Quebec Liberals followed up an election promise by committing to legislation this fall that would allow accident **victims to sue** where drivers are found criminally responsible.

HEALTH Health Canada put off plans to vaccinate 500 health-care workers this summer for **smallpox,** part of Ottawa's post-Sept. 11 response to international terrorism.

Britain's independent food watchdog said many popular **vitamins and minerals** can cause cancer, liver damage, depression and stomach upsets when taken over long periods. It urged cutbacks of vitamins C and B6 and of calcium and iron, as well as a ban on chromium picolinate, used to lose weight.

RATES The **loonie** continued its climb against the American dollar, reclining a bit after bashing through the US72 cent barrier. With exports affected, the Canadian Manufacturers & Exporters lobby, presumably willing to live with higher inflation, asked for interest-rate relief.

Ontario lost 27,000 jobs in April, mostly due to the SARS scare, as the country's jobless rate **rose unexpectedly** from 7.3 to 7.5 per cent, StatsCan reported.

BUSINESS Plane- and train-maker Bombardier Inc. said it can make a thinner-walled subway car, capable of cramming in an extra 35 people.

Wall Street has issued a record number of **pink slips**—at least 80,000 jobs lost in the market downturn in April alone.

EnCana Corp., Canada's largest oil and gas company, posted a $1.25 billion profit in its first quarter, an oil patch high.

BY PATRICK LAMONTAGNE



Mansbridge on the Record



ARGUE BETTER, PLEASE

The message is clear when even the PM is bored by his own party's debates

WHEN A POLITICAL junkie like Jean Chrétien implies that he finds his own party's televised leadership debates boring, you know there's a problem. Is it the fault of the debaters? In the Liberal race, Paul Martin is trying to play it safe and stay out of trouble, as anyone with a lead like his would, John Manley is throwing caution to the wind and trying everything, as anyone starting from the back of the pack would, and Sheila Copps is trying to pretend she isn't Sheila Copps, by being very, very low key. (Copps may have explained why when she told a TV interviewer the other day that she thinks many Canadians regard her as "a five-letter word beginning in "b" and ending in "h". But, she added, the five-letter word that actually describes her best is "sweet," and she's hoping they'll notice that soon. Yes, she did say that. I know, because I was the interviewer.) You may be interested to know that the Progressive Conservatives are also holding leadership debates with their seven candidates on stages across the country. Their vote comes at the end of the month in a race that's barely kept the candidates awake.

Somewhere, something has gone wrong with this part of the way our parties pick their leaders, who then become *our* leaders. The "debate" thing is supposed to get us excited about possibilities in policy options and the candidates who stand behind them. But these days, all the talk barely draws a pulse even from the committed. What's gone wrong? Debates have been part of the political process for centuries, but TV debates only began in 1960, when a freshly shaved John Kennedy was seen by viewers to have defeated the five o'clock shadow that was Richard Nixon. (Radio listeners who were surveyed considered Nixon the winner, which leaves you wondering what that says about TV, Kennedy and, for that matter, radio.)

In those early days, the rules of the debate game were pretty simple: they were worked out by the networks after some consultation with the politicians. Now, it's very different. Spinners, image consultants and policy wonks decide almost everything—from where candidates sit, to how long they talk, to what kind of lighting is allowed, to whether there actually is any *real* debate. What used to be an event has now become routine and, well, boring. The Prime Minister said he flipped back and forth between a hockey game and the first Liberal debate, and then went out of his way to say that he found only the hockey exciting.

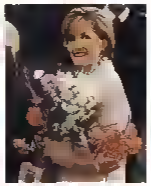
Media reports on debates usually focus on one short, sharp exchange. There have been some dandies over the years—though almost always in elections rather than leadership races. There was Pierre Trudeau's belittling mimic of Joe Clark's laugh in 1979, Brian Mulroney's "you had an option" patronage stab at John Turner in 1984, Turner's "you will reduce us to a colony of the United States" free-trade swipe in return, four years later. But trying to find a memorable exchange in the current round of debates can be awfully hard. And, surely, two-hour debates should be known for at least a 10-second clip.

One obvious solution is to turn the candidates loose to be themselves, to tell everyone what they really believe about issues, each other and where, specifically, they want to lead the country. Banish the high-paid help—who have some candidates so contorted they're almost unknown to their own families—to the backrooms, and let the contest be decided in an unrestricted way. Too simplistic? Probably. Years of use have made some of our political traditions resistant to change even though everyone, especially the candidates, knows the result has made the public cynical about the process. The Prime Minister's remarks may have provided everyone with a good laugh, but they may have signalled much more than that.

Peter Mansbridge is Chief Correspondent of CBC Television News and Anchor of *The National*. To comment, letters@macleans.ca

Passages

EXPECTING Prince Edward, 39, and Sophie, the Countess of Wessex, 38, are expecting their first child in December. Under doctor's orders, Sophie, who suffered a miscarriage in 2001, will not be undertaking official engagements for the time being.



WON Singer Neko Case, of Vancouver band the New Pornographers, came out on top in *Playboy.com*'s Sexiest Babe of Indie Rock poll. Case, 32, has yet to accept or decline the magazine's offer of a photo shoot.

RECOVERING. Native activist Donald Marshall Jr., who spent 11 years in prison for a murder he did not commit, underwent a double lung transplant—and was said to be in good condition. Marshall, 49, a Mi'kmaq from Cape Breton, suffers from chronic obstructive pulmonary disease.

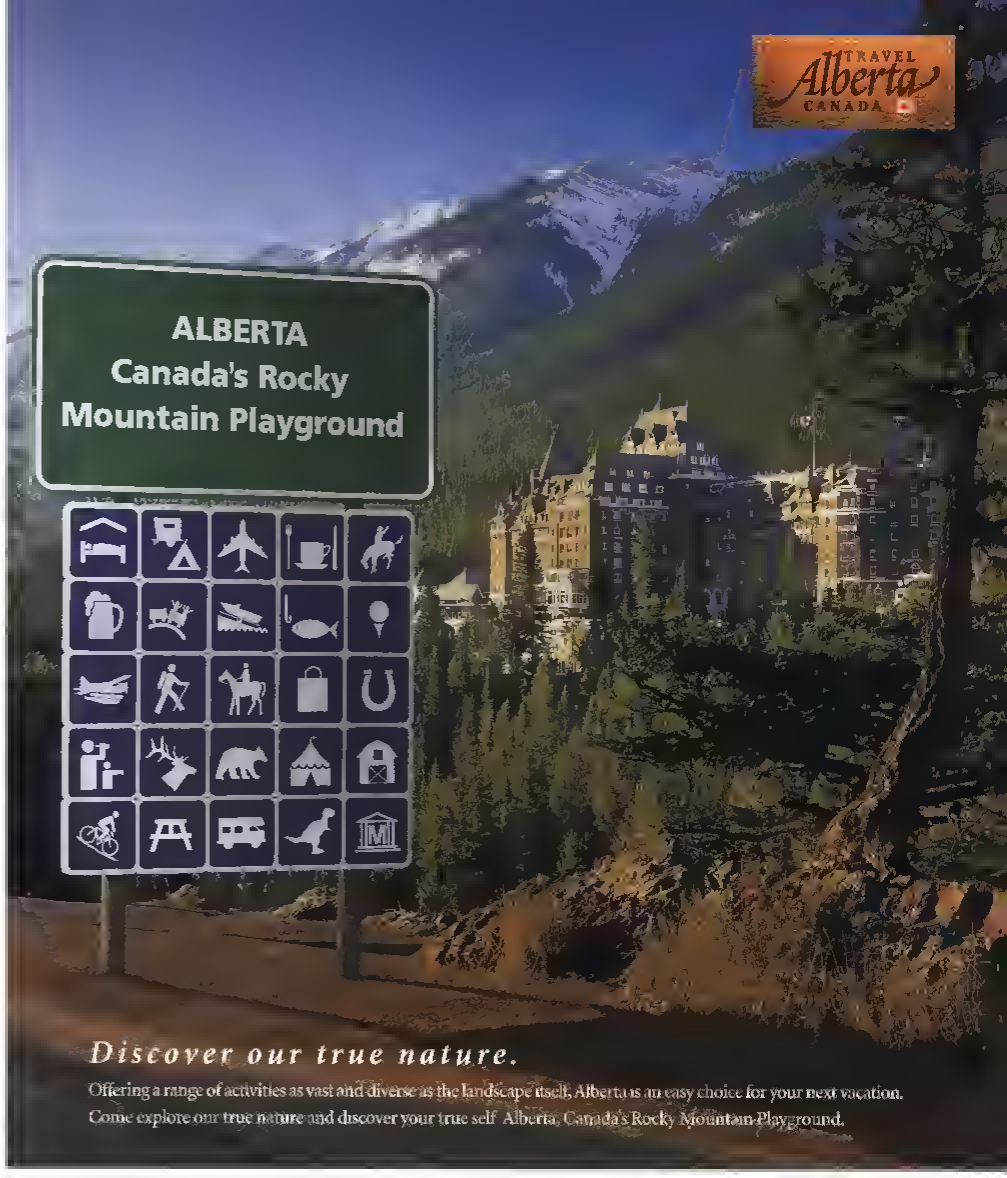
Died Anti-apartheid crusader Walter Sisulu brought Nelson Mandela into the African National Conference in 1944, fought by his side and advised Mandela through the five-decade struggle against the racist governments of South Africa—and spent 26 years in prison. Sisulu, 90, died at home in Johannesburg.

DEPARTING John Pearce, 56, a well-regarded, long-time Canadian book editor and publisher was let go by Random House of Canada. The Toronto based company eliminated his editor-at-large position.

DIVORCING After three years of marriage, Magna chief executive officer Belinda Stronach, 37, and Norwegian Olympic gold-medal speed skater Johann Olav Koss, 34, have split. Koss, an MBA student at the University of Toronto, has said it will not be a messy divorce.

DENIED Michael Jordan has lost his job in the Washington Wizards head office. The recently re-retired 40-year-old NBA superstar was president of basketball operations before coming out of retirement in September 2001. But Wizards owner Abe Pollin isn't taking him back in that role.

ANDREW PARSONS/PA/AP PHOTO



AIR CANADA

TravelAlberta.com
1-800-661-8888

Canada
Discover our true nature
Une générosité nature

ideaCity03
IDEAS CHANGE THE WORLD
18, 19, 20 June 2003, Toronto

How much is a good idea worth?
How long does a good idea last?
Invest in ideas.



50 SPEAKERS. 3 GREAT PARTIES. A TON OF INSPIRATION.

Presented by Moses Znaimer.
Brought to you by CHUM Television channels
Citytv and Canadian Learning Television.

FOR MORE INFO OR TO SIGN UP:
jenniferm@citytv.com
416.591.7400 x2790
www.ideacityonline.com

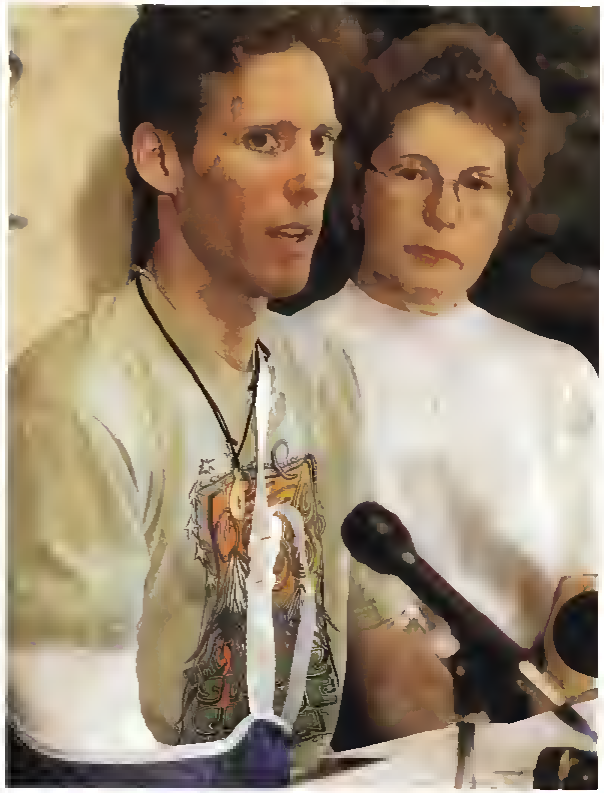
MACLEAN'S Steelcase ROOTS Panasonic. CHUM
THE GLOBE AND MAIL SAAB DX DESIGN EXCHANGE

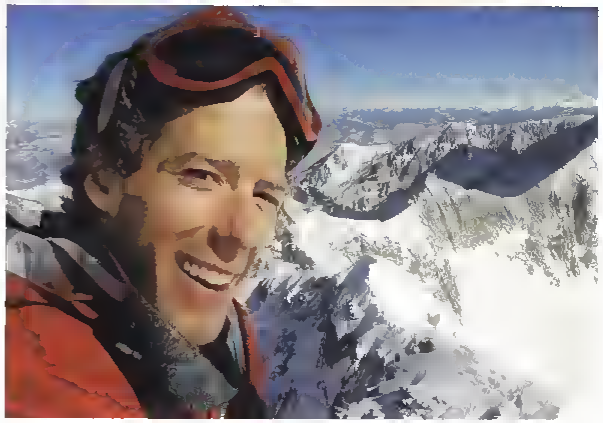
Survival | A hiker's tale

Thurs , May 1, was a very bad day for Aron Ralston Five days earlier, while hiking in Utah's remote Canyonlands National Park, the inveterare mountain man accidental ly dislodged a 450 kg boulder, crushing his right forearm and trapping him in the canyon. He'd exhausted his meager resources—a litre of water, two burritos and the sugary remains of a couple of candy bars—days earlier Worried that he'd die from dehydration before rescuers arrived, he weighed his options All were unappealing So the 27-year-old from Colorado amputated his arm with a cheap pocketknife, the sort of device that also houses scissors, pliers and a corkscrew It was "what you'd get if you bought a $15 flashlight and got a free multiuse tool," Ralston told reporters last week.

It gets worse. The climber considered cutting off his limb two days before, but found the knife so dull, "I couldn't even cut the hair off my arm." After finally puncturing his skin on the fifth day, Ralston steeled himself for field surgery "It occurred to me that I might be able to break my bones up at the wrist, where they were pinched between the rock and the canyon wall. Upon manoeuvring myself for about five minures and really wrestling with it and applying torque in just the right direction, with my arm bent just the right way, I was able to first snap the radius and then in another few minutes snap the ulna [the thinner bone in the forearm] at the wrist, and from there I had the knife out and applied the tourniquet and went to task. It was a process that took about an hour" Leaving his right hand behind, Ralston then rappelled down an 18-metre cliff, drank from a pool of water on the canyon floor, and walked almost 10 km before he was led to safety by a vacationing Dutch couple They fed him Oreo cookies.

Ralston, who works at a mountaineering store in Aspen, was flooded with hope once he decided to break his bones He described it as a spiritual experience, fuelled by prayer "All the desires and joys and euphorias of a future life came rushing into me, and maybe this is how I handled the pain."





Ralston, with his mother, Donna, meets the press in Grand Junction, Colo., where he was recovering from amputating his own hand

ED ANDRIESKI/AP PHOTO; ARON RALSTON/ST.MARY'S HOSPITAL/AP PHOTO

WAITING FOR WEST NILE

After SARS, Canadians brace for the return of the mosquito-borne disease

STRESSED-OUT, Canadians are more than ready for summertime, when the living is, well, easier. The last, lingering vestiges of winter—the Stanley Cup playoffs—are well on their way to a final reckoning, as sure a sign as daffodils in bloom that long days of lounging by the lake are just around the corner. And about time. Winter overstayed its welcome in many parts this year, then spring sprung fears of a global epidemic. Since then, we've grudgingly learned to live with the viral scourge from China called SARS as it landed a body blow on the health-care system and our economy. We need a break.

The coming Victoria Day weekend is just the ticket, a chance to kick back, hoist a cold one, perhaps, spark up the barbecue and catch up with a neglected novel or kibitz with the kids. Enjoy it: it's probably your last mosquito-free long weekend for a few months. As the weather warms, the backyard and the lakeshore by the cottage could become hazardous to your health. Relax in the great outdoors, urban or otherwise, and you'll hear it—that unmistakable, high-pitched whine of the winged bloodsucker looking for a free lunch. Your muscles tense and a hand cocks instinctively, ready to strike the mosquito as it burrows through the fine hairs of an exposed, tender forearm. *SMACK!* Gotcha!

Or maybe, as with Mark Little, it got *you*.

Little was one of the 307 confirmed victims of the West Nile virus in Ontario last year, a figure some experts consider a gross underestimate. Seventeen Ontarians are known to have died. Quebec, the only other province hit hard, had 16 cases and one death, while Alberta reported treating two patients who contracted West Nile outside its borders. This year, health authorities across southern Canada are girding for an assault by the insect world's equivalent of a dirty syringe. An emerging and poorly understood health threat in North America, West Nile put Little, a fit, then 37-year-old electrician in the Lake Erie town of Port Colborne, out of commission for a month.

He doesn't recall being bitten all that often last year, but he won't forget what the virus did to him. For a week last September, Little was so overcome by weakness that he slept as much as 19 hours at a stretch. "The most I could stay up was probably an hour at a time." Then came the excruciating headaches, prompting his girlfriend to take him to the hospital. "I just wanted the pain to go away."

Little was leading an active life, eating well, enjoying regular bike rides with his daughter, Tamara, now 9, and getting out on weekends as the member of a race car crew. Like most of us, he did not fully appreciate the risks of West Nile as the virus moved into the Canadian population for the first time last summer. When he got sick, he had no idea what hit him. Authorities in Ontario were saying West Nile affected mainly the elderly and those with compromised immune systems. Clearly, that wasn't the whole story. "We must remember that disease and fatalities do occur in all age groups," says Harvey Artsob, Health Canada's Winnipeg-based chief of zoonotics diseases (transmitted from animals) and special pathogens. "Anyone in an area where West Nile virus is active is at some risk."

A study of 64 adults in the Toronto area hospitalized because of West Nile, published last week in the on-line edition of the *Canadian Medical Association Journal*, backs up that conclusion. "Before, the emphasis was, if you're not some old, decrepit person waiting to die, you won't get sick," says Dr. Jim Brunton, one of the study's authors. "That's definitely not true because we've had middle aged people, even 20- and 30-year-olds, who've gotten sick." What's more, many of the elderly who were affected were physically active, adds Brunton, director of the infectious diseases division in the University of Toronto's department of medicine, and an outspoken critic of Ontario's decision to cut lab staff in 2001.

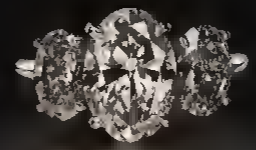
While that study did not include children, others have found that, for some reason,



The backyard, for so long the scene of carefree summer gatherings, now has a reputation as the dangerous hangout of infected insects

RETROFILE/PHOTO MEDIA/MAXX IMAGES

Win this ring »



The three-stone diamond anniversary ring—for your past, your present and your future.

Prize value is $5,000 as shown

At *Canadian Business*, we've been engaging readers for 75 years. It's time we brought out the hardware.

As part of our 75th Anniversary celebration, we're giving away a spectacular three-stone diamond anniversary ring, valued at $5,000.

Sheer brilliance. Just complete the ***Canadian Business*** Diamond Challenge online and you could be a winner

Three diamonds. Three quarters of a century. The perfect way to celebrate 75 years of *Canadian Business*.

Enter our Diamond Challenge at:
www.canadianbusiness75.com

A DIAMOND IS FOREVER

1928 2003 75 CANADIAN BUSINESS

ROGERS

Contest starts on April 14, 2003 at 12:00 pm EST
Complete rules and regulations available online

the young may have an advantage. They don't seem to be "particularly vulnerable," says a fact sheet issued by the Cornell Center for the Environment in Ithaca, N.Y. "Few cases of serious illness," it notes, "have involved children."

Making a diagnosis can be tricky. Little's family doctor suspected the virus, but his hospital physician was almost certain it wasn't West Nile. Medical staff drained fluid from his spine, relieving his headache slightly, did some blood work and sent him home, where he recovered on his own. Two months later the blood tests finally came back showing he'd developed an antibody to the virus—confirming he'd had West Nile. Test results were taking that long, many say, because the response to the outbreak was mismanaged in an overburdened health care system. Last week, Ontario promised to add 26 technicians so West Nile tests can be done locally, not just in Winnipeg.

Today, eight months after coming down with the disease, Little is strong enough to go to work but still dogged by fatigue. "After an eight-hour day, I pretty much have had it," he says. "I'm exhausted—38 years old and I'm having afternoon naps again." As someone who's been infected, Little is immune to West Nile, doctors say, but they don't know for how long. Hedging his bets, he'll be taking many of the recommended precautions to ward off bites this year (page 23), including getting hooded bug jackets for himself and his daughter. "You just can't take a chance," he says.

For the data-starved men and women in lab coats, predicting the severity of this summer's outbreak is a crapshoot. "I don't want to say anything because I don't know what the truth is," concedes Brunton. "It could be worse, it could be the same, it could be better." It's a common theme. "In 2002, we had the largest mosquito-transmitted epidemic ever documented in North America," says Artsob at Health Canada. "The big question, of course, is why?"

STUDIES SO FAR give just crude estimates, but it seems that about two per cent of residents in West Nile areas get infected. In a city of one million inhabitants, that means 20,000 are exposed to the virus. But 80 per cent of them—16,000—never get sick. The others will experience a flu-like illness with such symptoms as fever, headache, body aches and possibly a mild rash or swollen lymph glands. Among that 4,000, roughly 130 will get *really* sick, suffering so-called neuro-invasive conditions that include encephalitis (brain swelling) and meningitis (an inflammation of the lining of the brain or spinal cord). Symptoms in these cases can include severe headache, high fever, stiff neck, nausea, difficulty swallowing, vomiting, drowsiness, confusion, loss of consciousness, lack of coordination, muscle weakness, profound fatigue and even paralysis. Roughly 10 per cent of these patients die.

THIS SUMMER'S outbreak 'could be worse, it could be the same, it could be better.' Even the experts have no idea what to expect this time.

To get a better fix on those numbers, researchers at McMaster University in Hamilton are looking for signs of the virus in the blood of 1,500 residents in Oakville, Ont., a particularly hard-hit community between Hamilton and Toronto. Lab results, delayed by the SARS outbreak, won't be ready until the end of June at the earliest, says Susan Elliott, the geographer who designed the survey. "We have no idea what proportion of people have actually been bitten and carry the antibody," she notes. "Is it a big problem or is it a little one? We don't really know yet."

With West Nile, some perspective is useful. While the virus killed at least 18 people in Ontario and Quebec last year, that figure pales in comparison, say, to the 2,000 Canadian fatalities from flu each year, and the 40,000 who die from smoking. But West Nile cannot be brushed off. The virus can paralyze and kill, and it has the potential to overwhelm the health system.

Just look at what Brunton and his colleagues found in seven hospitals in the Toronto area. Among their 64 patients, they noted encephalitis in 55, including 24 who also suffered from a kind of neurological damage called acute flaccid paralysis that causes profound weakness. "It wasn't just, 'I feel tired and weak today,' that sort of thing," explains Brunton. "Some of them had all four limbs paralyzed, some had one leg paralyzed, and some who left the hospital had to use a walker." And some may never make a complete recovery, he notes. Patients in the study took up 1,856 hospital days—an average of almost a *month* each. As grave as the situation was, though, it wasn't without hope. "A lot of people made very significant recoveries," says Brunton, "but it took a long time to do so."

The list of West Nile's unpleasant consequences is growing. Health Canada says that in 2002, newly recognized symptoms seen in patients in North America included movement disorders, Parkinsonism



FOUR HABITS OF THE HIGHLY SUCCESSFUL MOSQUITO

■ **Feast on flower nectar, plant juices, not blood**
The males have no use for us; the females just need a shot of blood to produce each batch of eggs. Although many mosquitoes gravitate to other animals, they'll settle for humans if we're available.

■ **Don't whine about poor eyesight**
Mosquitoes can't see well, but they use a keen sense of smell (mainly for the carbon dioxide we exhale) and sensitive heat receptors on their antennae to zero in on us from as far away as 10 m.

■ **Live long and propagate**
Males die within three weeks, but those pesky females live up to five weeks in the summer, time enough to lay multiple batches of hundreds of eggs, new generations all set to breed and bite within weeks.

■ **Always know where to find stagnant water**
That's where mosquitoes lay their eggs. Some species are less interested in rural ponds and marshes, actually preferring small pools of water like the ones that collect around household settings—in eavestroughs, the saucers under flowerpots, birdbaths, cans and tires.

ILLUSTRATION BY JASON SCHNEIDER



Little, with his daughter, Tamara, was bedridden for as much as 19 hours a day

PHOTOGRAPH BY PETER BREGG/MACLEAN'S

(characterized by shaking, rigidity and loss of motor control), a polio-like syndrome and muscle degeneration.

DISEASES LIKE West Nile used to fall under the heading of geographic medicine, says Dr. Kevin Kain, director of the Centre for Travel and Tropical Medicine in Toronto. That meant they were restricted to certain areas. "A theme that we've been talking about for at least 20 years, and people are starting to wake up to," says Kain, "is that there are no geographically restricted diseases anymore."

Scientists first identified West Nile virus in Uganda in 1937. Epidemics occurred in Israel in the early 1950s and in '57. The virus popped up in France's Rhone delta in 1962, South Africa in '74, and Romania in '96. Israel's and Romania's outbreaks were particularly large, then just fizzled out. In South Africa, West Nile made about 75,000 people sick, but serious cases involving encephalitis were extremely rare. The latest epidemiological incarnation of West Nile debuted in New York City in 1999. And it does seem more virulent, says Dr. Anthony Marfin, a Colorado-based epidemiologist with the U.S. Centers for Disease Control and Prevention (CDC).

West Nile could have been carried to New York by infected migratory birds blown off course, or perhaps by birds smuggled into the country, part of the illegal pet trade. Possibly, infected mosquitoes found their way on a plane or ship. Once in New York, the virus found conditions particularly good for establishing a foothold in the northeastern United States. A series of mild winters had allowed mosquitoes to flourish, explains Dr. Paul Epstein, an associate director of the Center for Health and the Global Environment at Harvard Medical School. In fact, Epstein expects that global warming will facilitate the spread of many warm-climate diseases to historically cooler parts.

West Nile turned up in birds, mosquitoes, humans and horses in parts of New York, Connecticut, New Jersey and Maryland by late 1999. In all, 62 cases were identified in humans, causing seven deaths, all in New York state. Three years on, in 2002, West Nile was in 39 states and the District of Columbia. They recorded 4,156 cases, including 284 deaths. The CDC expects to see the virus in all the lower 48 states this summer.

Canadians found West Nile in dead birds and mosquito pools for the first time in 2001, in southern Ontario. It reached the human population last year, and has been detected in mosquitoes, birds and horses in Saskatchewan, Manitoba and Nova Scotia, as well as Quebec. Health authorities in British Columbia expect to see infected birds this season.

ALTHOUGH OTHER MEANS, such as blood transfusions and organ transplants, present minor risks, by far the most likely way of getting the disease is through mosquito bites. The linchpin seems to be *Culex pipiens*, the common northern house mosquito, one of approximately 80 mosquito species in Canada. Early in the season, thirsty females suck in crimson bellyfuls of blood, targeting birds solely. As their contaminated saliva spreads the virus through the avian population bite by bite, other mosquito species—as many as 10—that feed on both birds and humans become infected. Some of these then spread their viral seed to mammals and people—where it incubates for three to 14 days before causing illness. Infected humans aren't contagious—they can't pass it on to either humans or mosquitoes.

West Nile has been detected in more than 130 species of birds, proving particularly fatal to crows and blue jays. Studies now underway will determine the long-term effect on birds, but there's room for optimism. "We're expecting some populations, at least locally, to dip for a few years," says Audrey Heagy, who monitors avian migration for Bird Studies Canada in Port Rowan, Ont., "and then they'll rebound."

While West Nile can kill horses, cats and dogs don't seem to get sick. Just how many horses have died from the disease isn't known, but Scott Weese, a veterinarian at the Large Animal Clinic at the University of Guelph's Ontario Veterinary College, estimates a few hundred in that province alone. "We saw quite a few two- or three-year-old race horses last year that should have been at the peak of fitness getting quite severely sick," Weese recalls.

The virus can spread in various ways. Last year, Health Canada scientists found it in adult *Culex* mosquitoes that had hibernated through the winter. When *Culex* take flight in the spring, the mosquitoes may reintroduce the virus into the bird population. (It's not known whether other mosquito species that spend the winter as larvae can carry West Nile.) And, of course, birds migrating from the U.S. carry West Nile into Canada. The virus spreads to humans once a critical mass of infected birds and mosquitoes is reached. That has tended to be between mid-July and September. But there's some evidence from the U.S. to suggest that human infections could start as early as next month.

As for other risks, blood transfusions tainted with West Nile virus appear to have infected two Canadians, killing at least one in Ontario. While organ transplants have the potential of transmitting the disease, there have been no recorded cases. Last December, Canadian Blood Services directed hospitals to withdraw frozen blood products collected in Ontario between June and October. The agency will continue to

AS IF SARS AND WEST NILE WEREN'T ENOUGH...

We've seen how sick passengers aboard airplanes can spread a disease like SARS around the world. Lyme disease, another debilitating ailment threatening Canadians, also depends on air travel, but in a different way. The flightless larvae and nymphs of the tiny blacklegged tick that carries the ailment hitch rides on migratory birds, says Robbin Lindsay, an entomologist with Health Canada's National Microbiology Laboratory in Winnipeg. Once engorged with blood, they fall off, delivering their bacterial baggage to new destinations. Ticks with Lyme disease are on the move this spring, spreading inexorably from their hot zone in the northeastern and north-central U.S. "The overall risk of being infected in Canada is low," says Lindsay, "but it's persistent. These ticks can show up wherever birds can fly."

Lyme disease is caused by *Borrelia burgdorferi*, a bacterium that infected ticks transmit to animals—and people—by latching painlessly onto the skin. While scientists have found infected ticks across most of southern Canada, human cases have been rare so far—15 to 40 a year in Ontario, only a handful elsewhere. But the situation could get worse. The U.S. records about 15,000 cases each year, mostly between Minnesota and New Jersey.

The ticks, just the size of a sesame seed, develop from larvae feeding on birds and small animals one year, to nymphs that drink the blood of birds and larger mammals the next, and then, by fall, to adults. Capable of surviving the winter with the disease, they're found in decaying leaves, rotting logs and low-lying vegetation, especially in hardwood forests, brush and overgrown grass. The ticks are particularly prevalent around suburbs, where urban sprawl has pushed out foxes and other predators, leaving an unchecked mouse population for the insects to feast on.



KENNETH THOMAS/PHOTO RESEARCHERS

Male (top) and female blacklegged ticks, magnified, lurking on a blade of grass

Visitors to potentially infested areas should take precautions—tucking pants into socks and using a repellent containing DEET. At the end of the day, check your body thoroughly for the little ticks. If you find one, remove it with tweezers, grasping it close to your skin and pulling straight out, making sure to extract the embedded mouth parts. It's unlikely a tick will transmit bacteria within the first 36 hours. When it does, symptoms usually appear within a week or two—a rash like a bull's eye around the bite, accompanied by fever, malaise, fatigue, headache, muscle ache and joint discomfort. Unchecked, it can lead to neurological damage. The good news: Lyme disease responds to antibiotics. D.H.

stockpile extra supplies until the mosquito season starts, to carry it through the summer. It also hopes a test to screen for the actual virus, and not just antibodies in blood, will be available by July. In any case, Health Canada says, transfusions and organ transplants will continue because their benefits "outweigh the risk of becoming infected with West Nile virus."

Two other, particularly unnerving ways of transmitting West Nile—through breast-feeding and pregnancy—are suggested by just one recent case each, both in the U.S. The breast-fed infant showed no sign of disease and, with the health benefits of breast milk well established, the CDC concludes there's no need for nursing mothers to change their ways. The birth of a child with profound brain damage in New York last December sent up another red flag. "Although the newborn in this case was infected with West Nile virus at birth and had severe medical problems," says the CDC, "it is unknown whether the West Nile virus infection itself caused these problems, or whether they were coincidental."

There is no sure treatment for West Nile, that much is clear. One New York researcher is investigating the potential effectiveness of interferon, a drug used to treat hepatitis C. A vaccine is a possibility, especially as West Nile is similar to the virus that causes Japanese encephalitis, for whith a vaccine already exists. Meanwhile, Health Canada has trained lab technicians in most provinces to screen patients, hoping to speed up case identification. Municipalities across the country are broaching the prickly topic of using pesticides to battle mosquitoes. Winnipeg, for instance, has already started its larvicide program and plans to spray malathion in neighbourhoods to kill adult mosquitoes, a controversial practice known as fogging, as a last resort. In Toronto, officials have set aside $1.4 million to battle West Nile this year, and plan to administer larvicide pellets in storm water catch basins in late June and again in late July to coincide with peak periods of mosquito reproduction. Similarly, the Ontario government has readied $7 million to take the sting out of summer.

EVEN NOW, eight months after being bitten on her foot at home, Susan is relegated to a wheelchair, barely able to move her legs

Those defensive measures come too late for Susan, a stay-at-home mom, and her husband Philip, a waiter—both of whom requested anonymity to protect their family's privacy. In less than a week last September, Susan, 46, went from enjoying a barbecue on the deck of her home just north of Toronto's downtown core to being consigned to a ventilator for the next 10 weeks. She's still in hospital, she still can't walk, and needs help to get into a wheelchair.

Susan's recollections are vague, but Philip says everybody "was getting eaten alive" on the deck that Sunday night. Just as Susan was going into the house, a mosquito got her on her right foot. Over the next couple of days, pain spread from her right leg to her back and left leg. Her family doctor prescribed an anti-inflammatory drug for arthritis but by Friday, she went to bed feeling ill. Saturday morning, she couldn't get up. "She started screaming that she couldn't move," says Philip.

Now Susan can raise her left leg about 15 cm off the bed and bend her left arm at the elbow. Her right side is weaker. She's making progress each day, but it is excruciatingly slow. "You just don't have a life anymore," she sighs. The prognosis? "Nobody knows," says her husband. "Nobody's willing to venture a guess because that's all it is at this point—guesswork."

Coming so quickly on the heels of the SARS scare, this year's West Nile season bolsters our awareness that we're living in a brave new world of viruses without borders. "I guess the take-home message is that the illusion we're safe from global diseases in Canada should be shattered," says Kain at Toronto's tropical medicine centre. "That doesn't mean we should panic," he adds—it means we need to develop appropriate ways of dealing with outbreaks. And that requires new diagnostic tests, without which doctors are blind to the threat they face. "Knowledge in medicine is being able to determine what someone actually has," says Kain. "After that, things are easier." Just like the living in summer is supposed to be.

Congratulations

5th ANNIVERSARY

The Donner Canadian Foundation is pleased to announce the outstanding book chosen for the

2002/2003 DONNER Prize,

the award for best book on Canadian public policy.

$25,000 WINNER

John F. Helliwell

GLOBALIZATION AND WELL-BEING *(UBC Press)*

RUNNERS-UP, $10,000 EACH

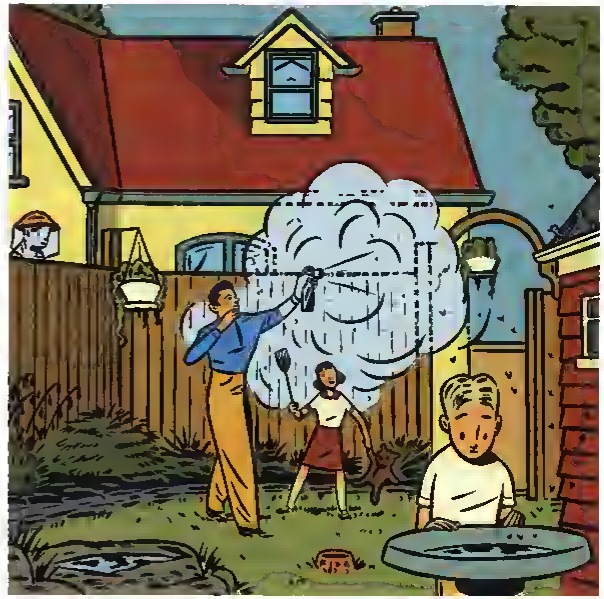
Christopher Essex and Ross McKitrick
TAKEN BY STORM: THE TROUBLED SCIENCE, POLICY AND POLITICS OF GLOBAL WARMING *(Key Porter Books)*

Daniel Stoffman
WHO GETS IN, WHAT'S WRONG WITH CANADA'S IMMIGRATION PROGRAM – AND HOW TO FIX IT *(Macfarlane Walter & Ross)*

Books that will *change your mind* about Canada

HOW NOT TO GET WEST NILE

It's wise to take steps—effective ones, that is—as the airborne scourge returns this summer



It's tempting to overreact, but filling the air with bug spray is no way to win the battle

THEY'LL SOON be here, riding the warm currents of summer: mosquitoes armed with the latest bioweapon—the West Nile virus. Short of building a concrete bunker or setting up an unhealthy fog of repellent spray, there are ways of safeguarding the pasty flesh of *Canuckus winterus*. Some suggestions:

ELIMINATE STANDING WATER

Mosquitoes lay eggs in stagnant water, where they take as little as five days to grow into adults. Empty rain barrels and dishes under flowerpots and change water in bird baths and pet bowls twice a week. Clean eavestroughs and get rid of anything that can hold a puddle—just 2.5 cm of water in a coffee can or a discarded tire may produce more than 1,000 mosquitoes a week. Drain pool covers and consider mosquito eating fish for that ornamental pond.

BE SMART OUTSIDE

Use yellow bug lights to illuminate the porch or back door—they're less likely to attract insects. Limit time outside at dusk and dawn, when mosquito activity is at its feverish peak. Wear long pants and long-sleeved shirts in light colours. And to keep what's outside from getting in, make sure window and door screens are in good condition.

For fishing trips or other extended exposures, consider joining the many who would make the hooded, netted bug jacket this summer's equivalent of the SARS mask. Anxiety has been good for business. "Usually it doesn't start till about mid-April," says Annmarie Westerberg, whose company, Northern Bugwear, makes bug jackets and pants in the Northern Ontario town of Bear Valley, "but I've had people buying them for three or four months."

REPELLENTS

Health Canada has ordered bug repellents with more than 30 per cent N,N-diethyl meta-toluamide, or DEET, to be phased out by next year because of concerns over toxicity. It considers repellents with 30 per cent or less concentration safe. It's a touchy subject. DEET has been in use since the U.S. Army patented it in 1946, more than 200 million people use it worldwide each year, and it works. However it can be a neurotoxin in very large doses, or after prolonged use. In 1998, the American College of Physicians counted 13 DEET-related cases of encephalopathy (brain disease) in children under eight, three of them died.

Health Canada offers these tips for protecting children:

- Under six months—don't use products with DEET.
- Six months to two years—in high-risk situations, sparingly apply repellent containing 10 per cent or less DEET once a day, avoiding face and hands.
- Two to 12 years—use DEET concentrations of 10 per cent or less, no more than three times a day, avoiding face and hands.
- 12 years and over—use DEET concentrations of up to 30 per cent.

Repellents containing citronella work, too, but they require frequent applications. Avon's Skin So-Soft moisturizer, once touted as effective, is not, though the company now sells a repellent under the same name. Also debunked: fabric softener sheets, bananas, garlic and vitamin B1.

MECHANICAL TRAPS

Several expensive traps catch mosquitoes by spewing moist carbon dioxide to mimic a breathing human. Whether they substantially reduce the risk of being bitten is debatable. "When mosquitoes have a choice between a real person and the trap," says Health Canada entomologist Robbin Lindsay, "they'll fly to you." Ultra-violet bug zappers kill beneficial insects, and they even attract mosquitoes to the vicinity.

ALTERNATIVES

Take the all-natural route and create a habitat for fish, birds, bats or insects that eat mosquito as larvae or adults.

ILLUSTRATION BY JASON SCHNEIDER



THE CONTINENTAL DIVIDE

The European Union resolved to agree to expand, but it can't seem on much else

IT WAS AN EVENING when the banks of the nominally blue Danube resounded with Beethoven's *Ode to Joy*, the official European anthem, rather than a stereotypical Strauss waltz. On April 12, a whopping 84 per cent of Hungarians had just voted in favour of joining the European Union, and thousands took to the streets of Budapest to celebrate. Officials waxed lyrical about Hungary "writing its name in history." And the following day, a tabloid ran a bold headline: "Europe, Here We Come!"

That sentiment echoed elsewhere in Europe. After a decade of negotiations, 10 countries, including Hungary, put their names on the dotted line at the EU summit in Athens last month. The signing of the Accession Treaty was groundbreaking by any standard. When the expansion—the greatest in EU history—comes into effect next May, the European confederation will have accomplished what Julius Caesar, Napoleon and Hitler could only have dreamed of: uniting the continent under a single flag. For the former Soviet satellites, joining the EU means turning their backs on their communist past. The Slovakian daily newspaper *Sme* recently noted: "After integration [Slovakia] will no longer be the West of the East, but the East of the West." The same could be said of the other former Soviet republics.

Hungary's Medgyessy (left) and Foreign Minister László Kovács at Athens summit

But the hopeful newcomers are moving into a deeply divided house. The Iraq crisis has highlighted differences in EU ranks. Countries that supported the Gulf war (Britain, Spain, Italy, Portugal, Denmark) were at loggerheads with countries that criticized Washington (France, Germany, Greece, and the Benelux nations). "Europe is seriously ill," foreign-affairs specialist Anne-Marie Le Gloannec wrote in the French daily *Le Figaro* at the outset of the war. The Iraq issue was so controversial, in fact, that it was not even broached at a March summit of the EU in Brussels. "We all know that we haven't been brilliant," Prime Minister Jean-Claude Juncker of Luxembourg conceded at the time. "Let's not add the ridiculous to the dramatic."

In Athens, the EU finally found common ground by demanding that the UN play a "central" role in post-war Iraq. But the split widened again in late April at a mini-summit called by Belgian Prime Minister Guy Verhofstadt on the creation of a European defence union. Belgium, France, Germany

ATTILA KISBENEDEK/AP





Out of Muskoka
JAMES BARTLEMAN

Penumbra Press is thrilled to congratulate Ontario's Lieutenant-Governor, James Bartleman, the 2002 winner of the Joseph Brant Award for the best book on multicultural history published within the past three years, awarded by the Ontario Historical Society

"By addressing his own unreconciled past, Bartleman is also probing Canadian society The village of his youth, he writes, was a microcosm of the world he would later explore as a diplomat, a world of winners and losers."
– *The Muskokan*

Author's royalties in Canada have been assigned to the Aboriginal Achievement Foundation for scholarships for Native students



There were anti-war riots in Athens, and anti-U.S. feelings among some EU members

and Luxembourg are for it Britain, which originally supported the idea, is now reconsidering Prime Minister Tony Blair warned that turning Europe into a rival of the U S would be a "dangerous and destabilizing" move

Even the former Soviet states are of two minds Some—like Poland—are gung-ho "In central Europe, we have brand new members of NATO with the enthusiasm of neophytes," says Hungarian political scientist Attila Folsz "Since they come from the anti-communist movement, they have to be seen as pro-U S on security issues" Some even hope that American bases being closed down in Germany will reopen in their own backyards Others, however, appear lukewarm Hungarian Prime Minister Péter Medgyessy even suggested that he was forced to sign a *Wall Street Journal* op-ed piece supporting the U S in its bid to oust Saddam Hussein "If I hadn't signed that famous letter, I would have been accused of negating transatlantic solidarity," Medgyessy told *Libération*, a French daily

More than foreign policy is at stake The debate over Iraq overlaps the debate over the future of the EU Countries that supported the Gulf war see the Union first and foremost as a free-trade zone designed to secure exports But anti-war nations like Germany see it as a political scheme designed to ensure peace in Europe. To that end, the EU is already plying a quasi-federalist course with transfer payments from have- to have-not countries Further steps in this direction, though, would likely meet strong resistance Spanish Prime Minister José María Aznar, for one, says, "Europe has never been and will never be a federation"

There are also disagreements over efforts to draft a constitutional treaty, so much so that few people now believe a draft can be tabled by next month and signed by December as planned The 105-member constitutional convention, led by former French President Valéry Giscard d'Estaing, is tackling a host of prickly issues. Should the EU have an elected president? Should the powers of the European parliament be extended? Should the EU levy its own taxes? Current and future EU states have to decide who does what in the way the BNA Act spelled out federal and provincial jurisdictions Osvaldo Croci, an international relations professor at Memorial University in St. John's, Nfld., isn't hopeful. "The EU has been able to make progress because everything is always vague," he says "But to draw up a constitution, you need a clear idea of what you want to do. And the only thing

'THE EUROPEAN Union has been able to make some progress. But to draw up a constitution, you need a clear idea of what you want to do.'

ARIS MESSINIS/AP



My sister moved to Australia but I still see her everyday.



Have you got a winning story like this one? Enter online and find out.

You'll find you can do amazing things with Windows® XP Tell us your story of how you discovered something *you didn't actually know you could do* Like make a movie, create a CD of your favourite music, or publish a digital photo album to share with friends and family on the web Maybe your story is about how Microsoft Windows Messenger defied time and space to get you face to face with your sister in Australia Whatever We think home computing matters_ and we want to hear from other people who do, too

Go to **www doamazingthings ca**, tell us your story and you could win 1 of more than 100 prizes, including 4 grand prize HP Media Center PCs The HP Media Center PC is - a TV, a DVD player, a stereo, a video recorder, a PC and more Plus if you win, your story could be featured in a magazine ad like this!

How amazing is that?!

Go to
www.doamazingthings.ca
for full contest details

Microsoft Windows xp | familywave.ca

Contest closes June 18, 2003

© 2003 Microsoft Corporation All rights reserved Microsoft and Windows are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. Monitor shown here is for demonstration purposes only actual size may vary

Do amazing things with Windows XP. Yes you can.

WHY

CUSTOMER SATISFACTION



State Farm® has one of the highest customer loyalty rates in the insurance industry—more than 95% of our policyholders renew their coverage with us every year. Our attractive rates, quality service and personal attention are just some of the reasons why customers prefer us for their auto, home and life insurance needs. Not to mention, the effective programs that are in place to make the claims process fast and painless. All in all, State Farm stands for customer satisfaction. If you won't take our word for it, take our customers'. You'll be glad you did.

To locate the agent nearest you, take advantage of our quick and easy agent locator at statefarm.ca®

STATE FARM INSURANCE

Providing Insurance and Financial Services

State Farm • Canadian Head Office: Scarborough, Ontario

that is clear so far is that no one agrees."

All current members must ratify the expansion of the EU and any one of them can, in theory, block it. Some observers caution "old Europe" against welcoming more pro-U.S. countries to the club. "If [expanding the union] must lead us to kowtow before George W. Bush, why should we facilitate it?" asks influential French commentator Alain Duhamel. Others argue that a pro-Washington stance should not be interpreted as somehow less European. "I wonder why Paris and Berlin, who have distanced themselves from Bush, represent Europe, while those who do not share the same point of view are seen as saboteurs and enemies," argues editorialist Ernesto Galli della Loggia in Milan's *Corriere della Sera*.

Frankfurt-born Alfred Grosser, professor emeritus of political science at the Fondation nationale des sciences politiques in Paris, is a vocal critic of U.S. policy on Iraq. Yet he is a passionate advocate of EU expansion even if it means adding pro-Washington states. "It's not in the name of the market but in the name of liberty that we were able to achieve German unification, which was the first expansion to the East," Grosser says. "Refusing to accept those who have fought for their freedom would be tantamount to renouncing the foundations of Europe."

The EU's principles might seem lofty, but its policies are tough on newcomers. In fact, soon-to-be EU citizens might think they are being treated like second-class Europeans. At the outset, for instance, Poland will only receive 25 per cent of farm aid under the EU's Common Agricultural Policy, the percentage will gradually increase over 10 years. And by the time Warsaw is entitled to a full share of farm subsidies, the costly and widely criticized policy may well have been dismantled. Similarly, Poles will have an automatic right to work elsewhere in the EU only after seven years. No such time limit was imposed when Sweden, Austria and Finland joined in 1995.

The economic downturn isn't making things easier. The cost of EU expansion, estimated at 40 billion euros ($64 billion), is raising eyebrows in cash-strapped Germany, one of the countries footing the bill. The German economy is teetering on the edge of recession, the unemployment rate is a staggering 11 per cent, and Berlin has exceeded the EU-imposed budget deficit ceiling of three per cent. Not surprisingly, some 40 per cent of Germans are lukewarm about expansion, even though their country could benefit the most. "It's us who need European partners," says Ulrike Guérot, a political scientist with the German Council on Foreign Relations. "It's us who need stable markets in the East. It's us who need integration."

Turkey's desire to join the club will create further tension. Negotiations could start in 2005, but Ankara shouldn't expect the red-carpet treatment. Given its population (67 million) and high birth rate, Turkey could quickly dominate the European Parliament, ahead of founding countries like France and Italy. And the cost of extending the Common Agricultural Policy to Turkey would be astronomical. Yet the U.S. has endorsed Ankara's candidacy, which irks many in Europe. "I fail to see why this should be the business of the U.S.," muses Grosser. "France didn't have to decide whether Canada and Mexico should be part of the North American Free Trade Agreement."

ARE THE U.S. and the EU, already trade rivals, set to be political rivals in a multi-polar world? The answer could depend on Britain.

Are the U.S. and the EU, already trade rivals, set to be political rivals in a multi-polar world? The answer depends on Britain, Europe's greatest military power. Blair says no. But a recent poll conducted for Britain's *Spectator* magazine found only 31 per cent of Britons saying they would be pleased if Britain worked more closely with the U.S. than with the rest of Europe.

A divided EU will be content at this stage to play the role, in the words of Michael Kreile, a Humboldt University professor in Berlin, of deputy to sheriff Bush. When NATO takes command of the international force in Afghanistan—with French and German backing—the organization will do more than just police Kabul. It will help patch up transatlantic relations. The EU has already thrown its support behind U.S. plans to divide Iraq in three regions, and it will help fund the reconstruction. Beyond that, the future is uncertain, both for European unity and for relations with Washington. M

XEROX



INTRIA Items processes over 900 million financial transactions a year. To save time as well as 33% on operating costs they turned to Xerox for an integrated document management solution.

There's a new way to look at it.

Learn more: www.eeree.com/learn Or call: 1-800-ASK-XEROX Dept. 1506

© 2003 XEROX CORPORATION. All rights reserved. XEROX® The Document Company® and There's a new way to look at it are trademarks of XEROX CORPORATION. XEROX CANADA LTD. is a licensee of all the trademarks. Other Company names used herein are trademarks of their respective owners.

THE DOCUMENT COMPANY XEROX.



GETTING IT RIGHT IN IRAQ

Young Arabs want democratic governments of their own making

Washington is determined to change the face of the Middle East. With the war over, the U.S. is now attempting to drag Iraq toward democracy. At the same time, the Pentagon will remove nearly all of its troops from Saudi Arabia (home to Islam's holiest sites) and in so doing remove a major source of Muslim anger. The U.S. has also unveiled the so-called road map that it hopes will bring peace to Israelis and Palestinians. But Rami G. Khouri, executive editor of the Beirut Daily Star *and a member of the Brookings Institution Project on U.S. Policy Towards the Islamic World, says the road ahead is fraught with danger. Many Arabs believe that, as the British did in the 1920s, the Bush administration is attempting to change the Middle East to suit its own political and economic agenda. The hearts of most Arabs, Khouri argues, won't be won over until efforts to build democracy in Iraq bear real fruit—and the Israeli-Palestinian problem is really solved.*



THE AMERICAN-LED military attack to change the Iraqi regime is a historic turning point in the modern history of the Middle East, as momentous in its immediate impact and long-term consequences as the 1948 war that resulted in the creation of Israel and the Palestinian refugee problem. The short term situation in Iraq will continue to evolve on a weekly basis, as both the U.S. and the people of Iraq continue to define and strive for their political goals. The longer term picture remains clouded, in part because most of the people and political entities in the area have yet to respond fully to the unprecedented nature of the Anglo-American assault, regime change, and occupation of Iraq. It will take time for the many actors in this area to fully digest the meaning of having hundreds of thousands of U.S. troops in Iraq for an indefinite period of time, and how that translates into on-the-ground American political muscle in the Middle East.

Events of the past half-year do offer important clues to the reactions that we can expect from within the region. Many political and cultural factors will present Washington with a challenge. Turkey's concerns in the north, Iran's strong links with Iraq's people and holy sites, long standing Syrian tendencies to play to a pan-Arab audience, and the variety of ideological, religious and ethnic groups within Iraq that have started jockeying for their share of power. This will be the norm for some time, as half a century of repressed political, religious and ethnic forces suddenly explode to the surface. It will be messy enough for the local Iraqi interests to sort themselves out. The process becomes infinitely more complicated when taking into account the massive American military presence and the interests of powerful neighbours.

Iraq is now defined mainly by many unanswered variables. What are the ultimate American aims? How long will the U.S. military remain, and what kind of long-term American military presence will remain in the Gulf region? Will pent up Iraqi longings for political self-expression manifest themselves in religious, democratic or ethnic terms? Outside of Iraq, how will major players in the neighbourhood react to the changes, especially Turkey, Iran and Saudi Arabia? How will the wider Arab world react to the U.S. administration of Iraq and the shaping of its political future?

For now, we should keep our eyes on events in four main arenas: Iraq itself, the surrounding Arab-Iranian-Turkish region, the Arab-Israeli conflict, and overall U.S.-Middle Eastern ties. Significantly, all four are in the midst of rapid change that may not all be peaceful. The best scenario would see a smooth transition to democracy in Iraq, a quick American withdrawal, non-interference by Iran, Turkey and others in the region, a consistent American commitment to promoting democracy throughout the entire region and energetic diplomacy to achieve a permanent Arab-Israeli peace accord.

Mixed progress is more likely. If the U.S., the Arabs and Israel move vigorously to achieve a comprehensive, negotiated peace agreement, some of the anti-American skepticism in the region would dissipate. If Palestinian-Israeli warfare continues and Israel keeps expanding its settlements in the West Bank and Gaza, anti-American feelings will increase and so will resistance to American goals in Iraq.

One major problem is that the two main camps in this dynamic analyze events from wildly different perspectives. Washington and London have depicted the attack against Iraq as part of a historic process to promote pan-Arab peace, liberty and democracy. Most Arabs and Iranians, on the other hand, fiercely opposed it because they see it as a cruel replay of history that has haunted them for over a century—Western armies dominating the region and redrawing its political map to suit Western interests.

IF IRAQIS get to work out their own system of governance, they could spark a move toward democracy in other Arab countries

The main Arab criticism of the U.S. is about its motives. The arguments about ridding Iraq of weapons of mass destruction and promoting democracy enjoy little credibility. Most analysts and ordinary citizens believe the U.S. wants to control Iraq's oil, secure a permanent Mideast military foothold from which to dominate and pacify the region, and reduce the incidence of terror emanating from the area. People believe the U.S. is signalling to Syria, Iran, Hezbollah and others that they must either change their policies or risk the same fate as the former Baathist regime in Baghdad.

Regime change was also widely opposed in the Middle East because of fears that it would lead to new problems, among them continuing instability and violence. As Iraqi citizens find themselves free to express themselves for the first time in nearly 50 years, they have reverted to their basic identities, rather than immediately gravitate to political ideologies. The Kurds in the north long ago made it clear they wish to affirm their ethnicity in a loose federal association with the rest of Iraq. Another, and perhaps the most, powerful expression of identity has come from Shias, members of the branch of Islam that defines Iranians and nearly two-thirds of Iraqis.

The Shias share a single religion but are

ILLUSTRATION BY LIKO

ROGERS sportsnet Magazine
More than the game...the whole story
In *Maclean's* May 26 issue (on newsstands May 19)
• Is winning the Stanley Cup everything? • Touchdown, Canada. What saved the CFL? • Should Annika play with the boys?



Sportsnet Magazine sponsored by Goodwrench Service and supported by IBM and MACLEAN'S

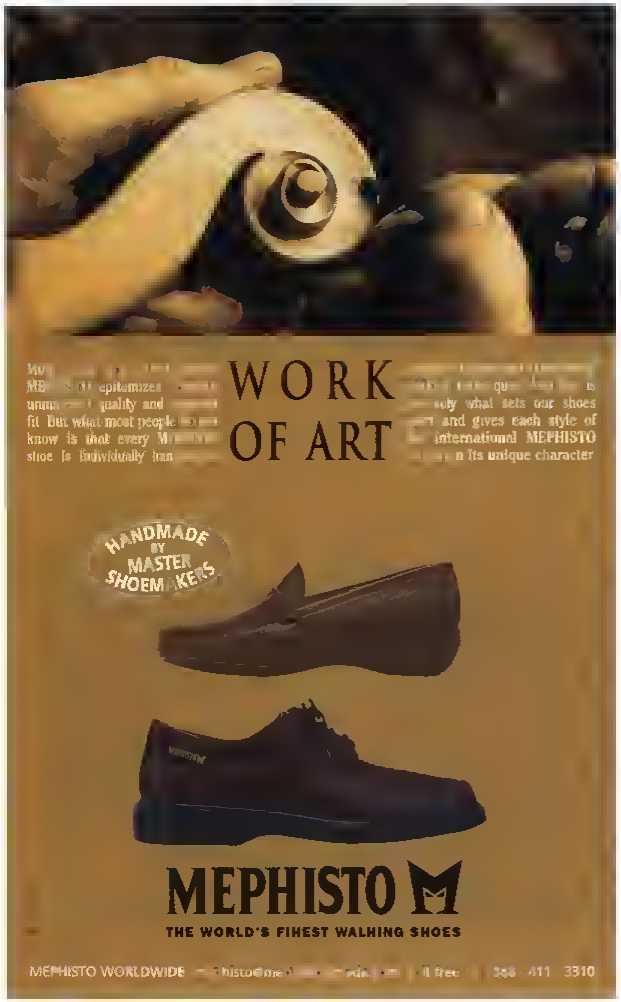
divided into followers of several different theological currents Rivalries among them have already broken out in the form of assassinations and political confrontations Until a strong central state authority re-emerges to provide basic services and to project an Iraqi national identity, religious and ethnic groups such as Kurds and Shias are likely to play a strong public and political role This natural expression of primordial identity is likely to give way in the longer run to negotiated political and national relationships among the main Iraqi groups

If modern political power-sharing arrangements can be agreed on that give voice to all parties, protect minority rights and fairly reflect real power balances (i.e., that Shias are an absolute majority in Iraq), the country has a very good chance of making the transition to a credible democracy If Iraqis are given the freedom to work out their own system of governance, they are likely to come up with a model that could also spark movement toward greater democracy in other Arab countries This is the stated Anglo American aim—and it should not be ruled out as a possible eventuality

The more widespread fears are that the U S is likely to repeat the same cruel mistakes the British made early in the 20th century—importing their preferred Iraqi leaders, imposing an alien governance system, marginalizing powerful indigenous religious, tribal and ethnic groups and eventually leaving the land in the hands of local generals after generating a large amount of material destruction and political resentment

This is why so many people in the Middle East resist American plans to reshape the politics of the Arab world. We are again haunted by historical ghosts from 1915-1922, when British and French armies brazenly rearranged our region into strangely shaped countries with Euro-made power structures The prevalent view in the Middle East is that this was done mainly to protect Western colonial interests, divide up local spoils and promote Zionist national goals The consequences have been catastrophic nearly a century of chronic wars and insurrections, underachieving economies and autocratic Arab governments

Unlike 1920, people of the Middle East today are aware of what the future might hold But they remain powerless to do anything about it Most Arabs are numb with disbelief as they watch further displays of pan-Arab weaknesses, failures, vulnerabilities and defeats, this time with the presence of hundreds of thousands of American troops occupying and reshaping what was once one of the strongest Arab countries The cumulative mass degradation and dehumanization that much of the Arab world feels is likely to result in some sort of political reaction, but it may be years before that reaction is clear. The best hope is that mass discontent will be channelled into efforts to promote more coherent, democratic and responsive governments as a younger generation of educated Arab men and women demands a better life with stability and progress Most Arabs desperately want change, reform, democracy, prosperity and modernity, but few believe this will come through the barrels of Western guns





WHEN TRUST IS BREACHED

Some analysts' tech research was compromised, writes KATHERINE MACKLEM

AS TOM MILLS, a former analyst with one of Canada's largest investment firms, puts it—none too delicately—the job he used to do was "prostitute work, basically." Mills (not his real name) covered software companies in the days leading up to the tech boom, when investors were pouring money into stocks they couldn't understand and investment bankers were eager to underwrite even the silliest of dot-com notions Mills left the business in June 1999, a point when Y2K fears were depressing the value of tech stocks Even then, many tech stocks were being hyped by overzealous brokers, and early warnings of the monstrously dangerous bubble just around the corner were easy to ignore Mills left—in fact he was dumped—partly because he contributed to those warnings But along the way, he encountered what he now describes as a shady business lacking in integrity and trust.

Mills's job was to study companies and assess whether they would make good investments for his firm's clients From 1996 to his departure three years later, Mills researched more than a dozen stocks, rating them as a buy, sell or hold. But he found that rather than basing his recommendations solely on his own objective findings, he was pressured to make his calls more positive His firm's corporate finance partners—investment bankers who arrange financing for companies—pushed for favourable recommendations to bolster their sales pitch to potential clients.

NO ONE suggests that the whole industry is tainted. But it's clear the same pressures were at play in Canada as in the U.S. and abuses did occur.

Finally, in April 1999, Mills wrote a 90-page report on a dozen stocks In earlier sector reports, most recommendations were positive, Mills says This time, though, it was different "I decided I was really going to let research drive the recommendations and ignore what corporate finance was saying," he recalls "I just focused on how we were going to make money for our clients I wanted to do things the right way." He strongly recommended just one stock. Three others he expected to do well He rated eight either neutral or underperform Six weeks later, he was let go.

Sound familiar? Last month, U S regulators reached a landmark settlement with 10 of the largest and richest Wall Street brokerages, including a payment of US$1 4

ILLUSTRATION BY MATSU

billion, following an investigation that uncovered monumental conflicts of interest and abuses (page 36) Four national and 12 state securities agencies focused on analysts who published overly optimistic research reports on companies that were simultaneously being solicited by the analysts' firms for lucrative investment banking business Looking through e-mails subpoenaed for the investigation, authorities discovered personal views that clashed dramatically with the analysts' so-called professional opinions. Henry Blodget, Merrill Lynch & Co 's superstar tech analyst, for instance, privately called one online company a "pos"—e-mail-ese for piece of shit—even though he'd publicly rated it a long-term buy

What's frightening for Canadian investors is there's no way of knowing if similar abuses are occurring here The Ontario Securities Commission won't comment on whether it's investigating Bay Street's behaviour—at least not publicly But, adds OSC spokesman Eric Pelletier, "If we had information leading us to believe analysts were aligning their recommendations with corporate finance, we'd potentially launch regulatory action."

No one's suggesting the whole industry is tainted The stakes in Canada aren't quite as high—among other things, analysts here take home less than a tenth of their U S counterparts' income But it's clear the same kinds of pressures were at play in Canada as in the U S , and that abuses did occur "I have not come across an analyst who participated in such outright two-facedness," says one tech analyst, who asked not to be identified Still, the analyst added, scams were there, just in more subtle forms Mills, for one, recalls being advised to change a hold recommendation to a buy for a company his firm had underwritten "It wouldn't look good," a senior executive told him later, "to initiate coverage on a stock we'd just underwritten with a hold recommendation "

Few market players will speak openly about inflated tech-stock recommendations But one industry leader did go on the record because he was disgusted by the culture that grew up during the boom Dominik Diouhy, a former chairman of the Montreal Exchange and principal founder and chairman of Montreal-based Diouhy Merchant Group Inc., says conflicts of interest were rampant in Canada during the tech boom, when dealers were underwriting deals "like mad." Diouhy blames, among others, corporate



Sadly, Diouhy says, people began to think that 'this is the way the game is played'

issuers who pushed for positive coverage to go along with an underwriting deal Corporations, who pay large fees—roughly seven per cent of the amount raised—to investment firms for help in raising capital, wouldn't settle for anything but, and would shop around for the positive write-up "I haven't seen a report that is negative," he laughs, struck by the idea's absurdity, "by an investment firm trying to get a corporate finance deal That wouldn't fly."

WHAT'S MADE it easy to corrupt analysts is the same reason brokers, dealers, analysts and traders join the investment business. Money.

Was his own, independent firm ever put under pressure? "Yup," he admits freely "Some issuers wanted us to do issues and do write-ups, and we didn't. But we had one or two bad deals You make some mistakes We did 30 deals, so that's not too bad" Throughout the industry, he suggests, the culture changed and bad deals were driven by "the inexperience of corporate finance guys, analysts, and some management, the lack of knowledge of history and the disdain for history And, the idea that, boy, this is the way the game is played"

AN INVESTMENT FIRM is a multi-limbed entity Its corporate finance—or investment banking—division helps companies raise money in the markets The bankers are the deal-makers—and the ones making the big bucks Traders do the actual buying and selling Each firm also has an institutional sales division where brokers try to capture trading business from mutual funds and pension funds Retail brokers help small investors

And then there's research, where, of course, the analysts reside. Their job, ostensibly, is to provide unbiased opinion on companies that are publicly traded Their analysis is used by institutional sales people to attract large portfolio trading business, and by re-

continued on page 35

PHOTOGRAPH BY MACKENZIE STROH

OntarioSuperBuild
PROGRESSREPORT2003

Ontario
SuperBuild

Building Ontario's future

How $15 billion for infrastructure is building stronger communities and improving our quality of life

Page 17.
Georgian C...
Vice-President Ch... Th...ps
at the site of Sup... ...ts in
new Centre for T... ...logy

Ontario SuperBuild Corporation
PROGRESSREPORT2003

Published by
The External Relations/Communications Section
Ontario SuperBuild Corporation
Frost Building South, 6th floor
7 Queen's Park Crescent
Toronto, Ontario M7A 1Y7
Telephone: (416) 325-0424
Fax: (416) 325-8851
e-mail: info@SuperBuild.gov.on.ca

English and French enquiries: 1-800-263-7965

For a digital version of this document, visit www.SuperBuild.ca

Ce document est disponible en français

© Queen's Printer for Ontario, 2003
ISBN 0-7794-4578-3

Office of the Premier

Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

Cabinet du Premier ministre

Hôtel du gouvernement
Queen's Park
Toronto, Ontario
M7A 1A1

Ontario



Ernie Eves, Premier

As you read this report you'll discover how Ontario's investments in public infrastructure are benefiting people in every corner of our province. It is a remarkable story. Since 1999, Ontario and its partners have committed in excess of $15 billion for investments in more than 4,000 specific projects in every community in the province. That money is building highways, hospitals, school classrooms, colleges and universities—including the first new university in Ontario in 40 years and the first medical school in Northern Ontario in our history.

It is adding 20,000 new places for seniors in long-term care facilities, the first significant investment in long-term care in 15 years. It is building cultural attractions to help our tourism industry, and community centres that will improve recreational opportunities for millions of people. It is providing clean water and better wastewater facilities all across the province. It is making our communities safer and more secure, and it is improving our lives.

These investments are unprecedented in our history, and they are possible only because of the unprecedented economic success of our province over the past eight years. Since 1995 we have created almost 1.1 million new jobs in Ontario. For 16 months in succession there have been more people working than were working the month before. The strongest gains have been in professional, scientific and technical services—the best-paying jobs in the sectors that promise most for the future.

That economic growth is no accident. It is based on the prudent financial management that has resulted in a succession of balanced budgets and lower taxes for individuals and companies, precisely the economic climate that encourages investment and growth, and that guarantees our continued prosperity. We are now beginning to enjoy the benefits of those policies.

The investments we make through SuperBuild are an important part of that process. They improve our lives today, and they contribute to our economic and social success in the future. As Premier, I assure you we will continue the policies that are strengthening our communities and building our prosperity. We will continue to build Ontario's future.



Ernie Eves, Premier

Ontario

Ministry of Finance
Office of the Minister

7th Floor Frost Building South
7 Queen's Park Crescent
Toronto ON M7A 1Y7

Ministère des Finances
Bureau du ministre

7e étage, édifice Frost sud
7 Queen's Park Crescent
Toronto ON M7A 1Y7



Hon. Janet Ecker
Minister of Finance

Ontario has made enormous strides since 1995. Our economy has improved, more people have good jobs, and our communities are safer and stronger. One of the reasons for this social and economic renaissance is the investment the government is making in public infrastructure. With our partners we are building highways, hospitals, public transit facilities, water and wastewater treatment plants, community centres, cultural attractions, elementary and secondary schools, colleges, universities and research facilities all across the province. Virtually every community in Ontario is benefiting from this unprecedented re-building of our province.

These investments help provide the services—improved healthcare, for example, and access to good education—that make our lives better today. They strengthen our economy and provide work for our people. But they are also preparing the way for our future prosperity. Decades from now our children, and their children, will continue to reap the benefits of the investments we are making today.

SuperBuild is the agency responsible for managing the government's investments in public infrastructure, and ensuring they meet our strategic objectives. Since 1999, when SuperBuild was created, the government and its partners have committed more than $15 billion for improvements to public amenities. In the pages that follow, you can see how those investments are affecting the lives of people all across the province, in big cities and small towns, and how they are building Ontario's future.

Janet Ecker
Minister of Finance



David Lindsay
President and CEO
Ontario SuperBuild

Benefiting from the law of unintended consequences

This is the third report on the activities of the Ontario SuperBuild Corporation, and the third time we have been able to report substantial progress. SuperBuild was established in December 1999, and our mandate has three parts: the first is to rationalize the way the government invests in public infrastructure, so that competing claims can be harnessed to meet province-wide priorities; the second is to encourage partnerships with other entities in the public and private sectors to increase the resources available for public infrastructure; and the third is to use this new way of doing business and these new partnerships to generate $20 billion of investment in public facilities within five years.

We are close to achieving all three goals. Ontario's capital investments now pass through a formal process that balances competing needs against each other and against the government's strategic objectives, an obvious improvement in the management of public assets.

Almost all of these investments are now made in co-operation with partners in the public or private sectors, which has the effect of making Ontario's investments go much further, and of ensuring that the projects we develop make economic sense and have local support. Finally, we are on track to reach our $20 billion investment goal.

Since SuperBuild was established, Ontario and its partners have committed more than $15 billion to over 4,000 projects across the province. Those investments touch every community in Ontario, and make the lives of millions of people better and safer. They build highways and hospitals, courthouses, classrooms, community centres, cultural attractions, long-term care facilities, water and sewage treatment plants—all of the public amenities that strengthen our communities and give flavour to life.

On the pages that follow you can see how they have helped communities like yours, and benefited individuals and organizations like those you know.

Public infrastructure is not just a matter of mortar and asphalt. It is a way of providing public services to the people who need them.

A community centre is not just a building; it is the centre of the community, the place where your kids skate and your local service club has its meetings. The objective isn't to build beautiful highways, it is to allow people to move freely. We invest in hospitals for only one reason: to enable people to get the healthcare they need, when and where they need it. It isn't the building that is important, it is the service.

But something funny happens on the way to providing better services; we end up creating economic prosperity for the entire province.

Obviously, the investments we make in public infrastructure have an immediate impact on our economy: they create jobs. Beyond that, we also reap the benefits of the law of unintended consequences. We set out to allow people and goods to move freely, or to have access to post-secondary education, or to get the medical services they need; but we end up creating what could be called a circle of prosperity, one that will generate sustainable economic benefits far into the future.

It works like this. We make investments that help create vibrant communities and a talented, flexible, well-educated workforce, that allow goods to move to market, and that provide the public services people need and want.

That environment attracts investment and encourages bright and energetic people to live in Ontario, which helps create sustainable economic growth and prosperity, which enhances opportunities for everyone in the province and produces more revenue, which the government can use to invest in the public amenities that create vibrant communities, a talented workforce, and better public services.

We identified this circle of prosperity in the late 1990s when the Government of Ontario established an agency called the Jobs and Investment Board to develop an economic plan for Ontario for the 21st century.

The plan was called *A Road Map to Prosperity*, and that is the plan SuperBuild is helping to implement now. You can see the results all around you, in the economic and social renaissance that is taking place everywhere in Ontario. The people and projects in the following pages are just a small sample.

Table of contents

Since 1999, Ontario and its partners have committed more than $15 billion to renew our public infrastructure. Over five years, SuperBuild expects public and private investments will total $20 billion. The money is building new hospitals, better highways, more classrooms and universities, and modern water treatment plants in communities across the province. It is restoring our cities and bringing new life to our small towns and rural areas. It is improving the public services and facilities that make our communities attractive and our economy strong. Through SuperBuild, Ontario is building the future. Here's how.

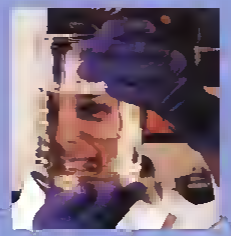


6

HEALTHCARE:

$4.5 billion investment

Ontario is restructuring healthcare so patients can get the treatment they need promptly and conveniently.



11

RESEARCH:

Support for biotech innovation

Ontario is investing over $39 million in biotechnology initiatives to help convert scientific discoveries into commercial products. "Our mission is to remove barriers to emerging scientific businesses," one president says.



14

EDUCATION:

Room for all

SuperBuild and its partners are investing $2.6 billion to ensure a place for every qualified student. New alliances between colleges and universities are preparing students for the global economy.

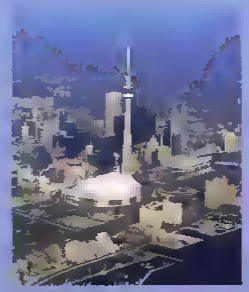


19

TRANSPORTATION:

How we get there

Over the next decade Ontario and its partners are planning to invest $10 billion in highways and $9 billion in public transit. That will mean faster journeys for commuters and better access to markets for Ontario's manufacturers.



24

COMMUNITIES:

Building better communities

SuperBuild has committed more than $850 million in 650 community projects. The total value from all partners is more than $2.9 billion to create more vibrant communities and a better quality of life.

A $4.5 billion investment in hospitals and long-term care

Our healthcare system is the largest single component in Ontario's public spending. Total healthcare expenditures in 2003-04 will reach $28.1 billion, or about 40 per cent of all government spending. And the cost increases every year. Ontario's spending this year is about 57 per cent more than it was in 1994-95, healthcare costs—with an average growth across Canada of about 7.9 per cent a year—are growing faster than either the rate of inflation or the rate of increase in provincial revenues.

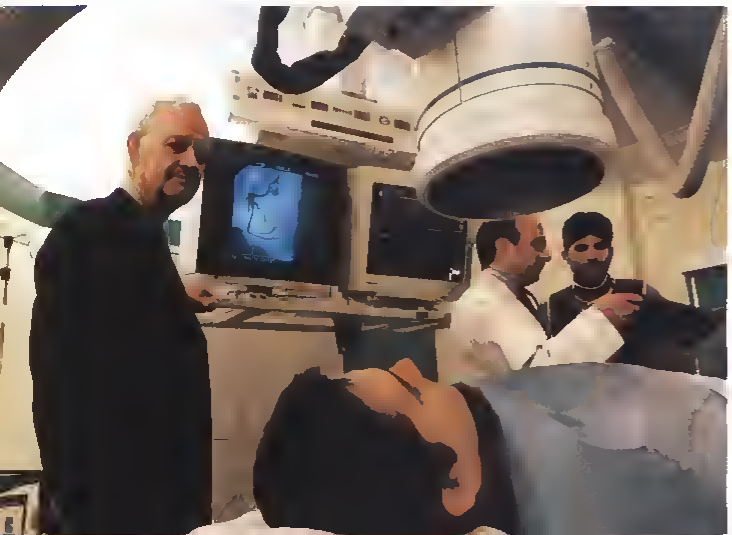
Ontario is reorganizing healthcare so people can get the treatment they need promptly and conveniently.

One element of this growth is the increasing average age of our population. About 13 per cent of Ontario residents are 65 or older now; in 25 years, that will rise to 21 per cent. Healthier lifestyles and improvements in care mean that seniors require less intensive treatment than they did, say, 30 years ago; today's baby boomers, as they age, are expected to be healthier than their parents. But despite these improvements, about half of lifetime medical costs occur after age 65. As our population grows older, our healthcare expenditures will continue to increase.

Ontario has responded to the challenge of rising costs by undertaking a major reorganization of its healthcare system. This reorganization, which began about seven years ago and which is still continuing, is intended to improve the efficiency of the system, so that resources are used more effectively, and to broaden the range of care available, so that people can get the treatment they need promptly and conveniently.

SuperBuild's role in the restructuring of healthcare has been to provide investments for new facilities, like the Bancroft community hospital profiled on the opposite page, and to promote construction of different kinds of facilities, like the long-term care centre in Windsor described on page 9. SuperBuild is also encouraging new and better ways of meeting the need for health services, by helping government form partnerships with companies to improve or expand facilities and modernize equipment. And we are working to improve the delivery of healthcare in remote communities by investing in a new medical school for northern Ontario, as described on page 10.

So far SuperBuild has committed $3.3 billion for investments in healthcare facilities—$504 million in the 2003-04 fiscal year—and a further $1.2 billion to support expansion of long-term care services. You can read about some of these investments, and the impact they make on the lives of people who need care and treatment, in the pages that follow. Or you can find much more information on the SuperBuild website, at www.SuperBuild.ca. What you learn may surprise you. ☑



CEO Hume Martin in the "cath lab" at Rouge Valley Centenary Hospital. Healthcare facilities across Ontario have benefited from SuperBuild investments.



Dr. Peter McEnery in Bancroft's new trauma room. "Providing emergency service here can be the difference between life and death," he says. SuperBuild committed $4.4 million for the facility.

Bancroft's community hospital provides essential services close to home.

Restructuring improves healthcare delivery

Kent Anderson spent last Christmas in the North Hastings Health Centre in Bancroft. He is grateful for the experience. "It was the lesser of two evils," he says; not spending Christmas in hospital would have been worse. "Coming home with blood clots might have been a huge problem."

Anderson, who lives in Gilmour, about 30 kilometres south of Bancroft, fell off a ladder and broke his hip in the days before Christmas. He was treated at the hospital in Bancroft and prepared to go home for the holiday. But before he could leave, the staff diagnosed blood clots, held him for further examination, and transferred him for treatment to their sister hospital in Belleville.

Anderson's case illustrates two points about the restructuring of Ontario's hospital system—a restructuring that has been under way for the past seven years.

The first is the advantage of grouping hospitals to encourage them to co-operate in providing patient care. The hospital in Bancroft, for example, is part of the Quinte Healthcare Corporation that includes Belleville General, Trenton Memorial and Prince Edward County Memorial in Picton. Transferring patients from smaller community health centres is simple and fast.

The second is the importance of providing local facilities that meet the needs of the communities that surround them. For example, the North Hastings Health Centre in Bancroft, with 10 beds, provides emergency treatment, ambulatory services and acute care. The Centre has close connections to area hospitals where more extensive treatment is available. An integrated facility also provides 110 long-term beds, which allows people who need extended care to remain in the community where they have lived most of their lives.

SuperBuild is supporting these initiatives through investments in facilities that make it possible to provide both kinds of care. The Bancroft hospital, for example, opened in April 2002. The total cost was about $6.8 million. The Province, through SuperBuild, provided $4.4 million; the community raised $2.4 million itself—a remarkable achievement for a town the size of Bancroft.

"We thought we might have difficulty raising it in our little community," says Donna Robinson, the administrator at the new hospital, "but we did it within a year and donations are still coming in."

The community response is a good indication of the importance of the hospital to the community. "We don't have a huge pile of in-patient beds," says Dr. Peter McEnery, one of eight general practitioners using the Bancroft hospital. "But medicine has changed so that our job is to diagnose as much as possible the serious problems, stabilize in emergency or in the hospital and move them on to the larger centres." Since larger hospitals are up to two hours away, in some cases he sees providing that emergency service as the difference between life and death.

He recalls one case where a patient was brought in near death with an infection that later proved to be necrotizing fasciitis, the flesh-eating disease. The doctor and the nursing staff stabilized the patient before finding a bed in a larger facility where he eventually recovered. "If he had to go anywhere else, he wouldn't have made it," the doctor says. "The initial period of stabilization was critical."

The Bancroft hospital serves about 18,000 people for 10 months of the year. But during the summer tourist season, that number rises to 40,000. Last year, more than 17,000 patients went through the hospital's emergency area. "We've been waiting for a new hospital since I came here 30 years ago," Dr. McEnery says. Now they've got it. ☑

"The way of the future."

Administrators say partnerships meet community needs sooner.



Partnership helps the William Osler Health Centre respond to the special needs of the growing immigrant community, says Dr. Ker Leggatt.

Everyone wants the healthcare system to be more efficient and more effective—to provide better and more appropriate care for the resources we invest in it. One promising approach, still being developed, is a partnership model to provide public healthcare facilities. For the first time in Ontario, two current healthcare projects are using partners to design, construct and maintain new hospital buildings.

The two Ontario projects, the William Osler Health Centre in Brampton and the Royal Ottawa Health Care Group, will use consortiums, selected through a competitive tender process, to build and operate the physical plant. Medical treatment and services will be provided through the public healthcare system.

The officials responsible for operating both facilities are enthusiastic supporters of the partnership approach, for essentially the same reason: it will provide the buildings their communities need faster than the traditional model.

For example, the existing Royal Ottawa Hospital was built as a sanatorium for tuberculosis patients at the turn of the 19th century. It is used now as a psychiatric hospital, but the buildings are not suited for the delivery of mental health care that is planned in the future. They will be replaced by a modern 188-bed hospital and outpatient clinic scheduled to open in 2005, and constructed and maintained by a private company.

"We are big proponents of this arrangement," says George Langill, CEO of the Royal Ottawa Health Care Group. "We believe that this is an opportunity that can't be missed. We also believe that it's the way of the future, when you look at the capital infrastructure needs of healthcare in Ontario."

"This is an opportunity that can't be missed," says the CEO of the Royal Ottawa Healthcare Group.

The Royal Ottawa Hospital is one example of the way healthcare facilities must adapt to emerging needs. The William Osler Health Centre in Brampton faces a slightly different issue. Demographic changes in the area—including a large influx of immigrants—require a new facility capable of providing increased services.

In both cases, the real advantage of the partnership approach is the speed with which needed facilities can be built. The traditional grant approach depends on government and community funding being in place prior to the completion of the planning and construction period. A delay in funding might delay completion of the hospital project.

"This formula accelerates our ability to get the facility up and going to serve a community where we have enormous growth pressures," says Robert Bell, CEO of the William Osler Health Centre. The new 608-bed facility will be completed in 2006; traditional methods might have delayed the project. The hospital will operate within Ontario's public healthcare system.

"The big advantage is the rapidity with which we can get a hospital up and running in a community like ours," says Dr. Ker Leggatt, Chief of Family Services at William Osler.

"We feel very fortunate to be given the privilege to develop this groundbreaking initiative," adds Robert Bell. "We believe that in working with the Ministry of Health and Long-Term Care and SuperBuild on this project, we're setting a benchmark for new hospital facilities not only in Ontario, but in Canada." ☑

A better quality of life for Ontario seniors

SuperBuild invests $1.2 billion in the first major expansion of long-term care in 15 years.



Resident Verrel Mackenzie: "My family helped me make the choice and I've never been sorry." Southwood Lakes has received a commitment of $11.2 million from SuperBuild.

Roger and Terry Lavergne needed to find a long-term care facility in Windsor. Roger, 71, a retired customs inspector, lost a leg in 1998 due to complications from diabetes. He also has a congenital heart condition. But he and his wife found the care they need at Southwood Lakes, a 150-bed long-term care residence operated by Extendicare and subsidized by the Ministry of Health and Long-Term Care. Roger has been a resident since the facility opened in 2001. "They look after me very well," he says.

The beds at Southwood Lakes—and at more than 100 other long-term care facilities across the province—were available because Ontario, through SuperBuild, has committed $1.2 billion to long-term care, a commitment that will add 20,000 new beds by the end of 2004. It will also mean access to community-based services for an additional 100,000 people. Southwood Lakes, for example, received a commitment of $11.2 million.



Jock Jones, 89, entertains his young friend Nadia. SuperBuild's investments in long-term care will create 20,000 new places for seniors by the end of 2004.

For Terry Lavergne, a retired teacher, the chance to find a facility that would be suitable for her husband as well as meeting his medical needs was crucial. "We could see the handwriting on the wall," Terry says. "Still, if people have an idea of what's going to happen and where they are going, they have a say in the decisions that have to be made. We feel it's important to have that choice."

Ontario's program to develop new long-term care beds—and redevelop older long-term care residences, which have about 16,000 existing beds—has been a major priority for SuperBuild and a crucial element in the government's plans to improve facilities for seniors.

"You have to remember there were virtually no new beds built in Ontario after the late 1980s," says Bill Lonergan, the administrator of Southwood Lakes. "It was close to 15 years before there were additional permanent beds in the province to take the pressure off the hospitals and the extended care waiting lists."

He adds that more recent guidelines for new long term care residents allow them to focus on an enhanced lifestyle rather than just continuing treatment. "Maintaining the highest possible quality of life for our residents is our number one priority here," Mr. Lonergan says.

It allows Terry to spend as much time as possible with her husband, go on excursions when he's able and to have dinner with him at the residence every night. Other residents like Verrel Mackenzie, 77, also enjoy the activities that are available. "My family helped me make the choice to come here and I've never been sorry," she says. "I've made a lot of nice friends here and there's always something to do."

Another resident, 84-year-old Gordon Thatcher, has a unique hobby. His room is decorated with model airplanes he's crafted from empty beer tins and pop cans. "I get three square meals a day and lots of nice people taking care of me," he says. "How can I not be happy?" ☑

Ontario's new medical school trains physicians for rural communities

"It will be like no other medical school in Canada."

Almost every country has difficulty attracting physicians to rural and isolated communities. In northern Scandinavia, the United States and Australia, governments have established medical schools in rural locales, to train physicians who later work in the same area. Now Ontario is trying a similar approach.

The Ontario government has approved the creation of the Northern Ontario Medical School, a new medical training facility that will be based at two institutions: Lakehead University in Thunder Bay and Laurentian University in Sudbury. "This is a mechanism to address the need for more doctors in hospitals and clinics across the north," says Lakehead president Fred Gilbert.

The four-year medical program will eventually accommodate up to 224 undergraduate students at both campuses. Initially, 24 first-year students are expected to be based at the Thunder Bay campus, with 32 students starting their studies at the Sudbury campus. Gilbert says the medical school on the Lakehead campus will be housed in a six-storey, $15.1 million addition to the Advanced Technology and Academic Centre. The government will also be making a $12.9 million investment in the Sudbury location, and providing a $4.9 million contribution from the Northern Ontario Heritage Fund to expand the Laurentian University Health Science Education Resource Centre. Both sites are expected to be completed by the fall of 2004.

SuperBuild investments will help provide doctors for remote communities.

Dr. Roger Strasser, founding dean of the Northern Ontario Medical School, is a world pioneer in rural healthcare. An Australian family physician with training in Ontario, he was instrumental in establishing the Monash School of Rural Health, which trains physicians, nurses, pharmacists and other medical professionals at four remote sites outside Melbourne.

Dr. Strasser says students at the new school will receive plenty of exposure to small, northern communities during their four years of study. In years one and two, they will spend a total of three months working in clinics in Thunder Bay and Sudbury. They will likely devote their entire third year to clinical work outside the two large centres while taking classes electronically. Their final year will be a mix of work and study.

"It will be like no other medical school in Canada," says Dr. Strasser. And he's confident that many graduates will discover the advantages of the north, just as he has since relocating. "It's a wonderful region, full of great people, wonderful natural beauty and terrific opportunities." ☑

Some of Ontario's investments in healthcare

Ontario has committed $4.5 billion for health and long-term care facilities across the province. Here are a few of them.

London Health Sciences Centre, $193.7 million;
Thunder Bay Regional Hospital, new hospital, $127.6 million;
North Bay General Hospital and the Northeast Mental Health Centre, $174.3 million;
St. Joseph's Hospital, Toronto, $46.8 million;
Guelph General Hospital Redevelopment, $50.6 million;
Lambton Hospitals Group, $46.9 million;
Bloorview MacMillan Health Centre, $43 million;
Sunnybrook and Women's Health Sciences Centre, $53.2 million;
Grand River Hospital and Grand River Regional Cancer Centre, Kitchener Waterloo, $88.8 million;
West Parry Sound Health Centre, new hospital, $44.8 million;
Chatham-Kent Health Alliance, $45 million;
The Ottawa Hospital, $114.9 million;
St. Mary's General Hospital, Kitchener, $42.6 million;
Lakeridge Health Corporation, Oshawa, $119.7 million;
Windsor Regional Hospital, $81.5 million;
St. Michael's Hospital, Toronto, $54.4 million;
Brantford General Hospital, $52.9 million;
North York General Hospital, Leslie site, $60.8 million;
Credit Valley Hospital, $107.9 million;
Sisters of Charity of Ottawa $35.6 million;
Children's Hospital of Eastern Ontario, Ottawa, $28.2 million;
Newmarket Southlake Regional Health Centre, $69.6 million;
Kingston General Hospital, $58.6 million.

To see how Ontario is investing in health, visit www.SuperBuild.ca

New biotech research will improve treatment and create jobs

SuperBuild invests more than $39 million.

Microbiologist Kishore Murthy has devoted years to researching a strange and unusual group of viruses known as phages. Phages, Murthy explains, are among nature's ways of keeping disease in check; they kill bacteria that cause sickness in humans and animals, but do no harm to their hosts. Murthy and his colleagues at GangaGen Life Sciences Inc. are trying to develop phage-based therapies that can be used in veterinary medicine; they hope to have a commercial product ready to market within two years.

If they succeed, some of the credit must go to the Ottawa Biotechnology Incubation Centre (OBIC) where GangaGen is located. OBIC, Murthy says, provides start-up companies like his with first-class laboratories, as well as access to the legal, financial and marketing services required to make their businesses succeed. "It's a very good approach and one of the reasons why we moved here," adds Murthy. "It's very useful to small companies."

In addition to the Ottawa Centre, two other facilities, in London and Toronto, will help new biotech companies get off the ground. Collectively, they are a crucial part of the government's Biotechnology Strategy, a bold initiative to make Ontario one of the three largest biotechnology centres in North America, with all the benefits that entails: economic growth in a leading-edge industry, and better health services for the people of the province.

SuperBuild is supporting the Biotechnology Strategy by investing more than $39 million in biotechnology initiatives, including $19.4 million for three "incubation centres," designed to help fledgling companies establish themselves. The centres will forge stronger links between the province's scientific and business communities, and facilitate the commercialization of research taking place in universities and hospitals. They will be able to draw upon the vast amounts of research currently being conducted within the province's world-class biomedical community, including 37 internationally known medical institutions and the Faculty of Medicine at the University of Toronto, one of North America's largest.

Biotech centres will lead to better health services for the people of Ontario.

The centres will also address a fundamental problem—lack of investment—that has impeded the growth of Ontario's biotechnology sector. Ontario's biotech industry attracts only $255 per capita in venture capital each year, compared with $1,820 in California and $2,187 in Massachusetts, Ontario's main competitors in this field. "We want to become a magnet for venture capital, both international and Canadian," says John Cook, the Chief Operating Officer of Toronto's biotechnology centre. "We want to turn scientific and medical research into products, service and treatments. When that happens, businesses are started, people are hired, wealth is created and society benefits." ☑



Microbiologist Kishore Murthy develops new therapies for veterinary medicine. SuperBuild is investing more than $39 million to help bring new medical products to market.

Incubation centres help turn scientific discoveries into commercial products

Toronto

On January 11, 1922, a 14-year-old boy named Leonard Thompson lay in bed at the College Street wing of Toronto General Hospital, weakened and emaciated from the effects of diabetes. That day he became the first person to receive an injection of insulin, discovered the summer before by Dr. Frederick Banting and Charles Best at the University of Toronto.

A second injection two weeks later led to a huge improvement in the boy's condition and attracted worldwide attention, and led to the development of the first effective treatment for diabetes—a treatment used today by millions of people.

Now, the building where Leonard Thompson was treated is being transformed into the centrepiece of a new kind of research centre, one devoted to promoting the commercialization of scientific discoveries by hospital and university researchers. The facade of the old building, completed in 1913, will be part of the new MaRS Discovery District, to be completed in the fall of 2004.

MaRS—an acronym for Medical and Related Sciences—is being developed to help scientists from Ontario and around the world convert their discoveries into commercial products. SuperBuild has committed $20 million to the project and an additional $9 million for the biotech commercialization centre to be housed there. The rest of the $300 million total cost will be raised from public- and private-sector investors.

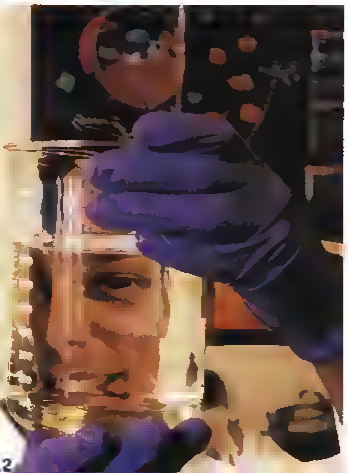
SuperBuild commits $20 million to the MaRS Discovery District.

"What we will do," says MaRS president John Cook, "is help researchers, doctors and scientists identify commercial opportunities in their work and prepare them to meet the commercial world. Our mission is to remove barriers to emerging scientific businesses."

The MaRS complex will stand at the heart of Canada's largest medical and scientific community, and one of the largest in North America. Several thousand researchers work nearby at the University of Toronto and at several hospitals, including Hospital for Sick Children, Toronto General, Mount Sinai and Princess Margaret.

Researchers who want to turn discoveries into commercial products will be able to rely on MaRS for various types of expertise and services, such as advice on incorporating companies, developing marketing plans, drafting business strategies, and raising venture capital. They will also be able to lease office space in the complex and pursue the scientific development of their discoveries in state-of-the-art labs.

"The federal and provincial governments have made huge investments in university and hospital-based research in recent years," says Cook. "We've attracted world-class scientists and they're producing world-class research. In order to maintain the investment, society has to benefit through the development of products and services that create jobs and wealth." ☑



Lab manager Josh Baisley works with a team turning scientific discoveries into commercial products. SuperBuild invested $5 million in the London Centre.

London

During his academic career, Dr. Jim Henry developed promising biopharmaceuticals for relieving pain associated with rheumatoid arthritis and other ailments. But those compounds have to be tested, first in animals and then in clinical trials, before they can be used for treatment, and those tests are vastly expensive. To help raise the money, Dr. Henry, chair of the Department of Physiology and Pharmacology at the University of Western Ontario, turned for advice to the London Biotechnology Commercialization Centre (LBCC). The LBCC is located on the UWO campus and exists for the sole purpose of helping academic and medical researchers turn scientific discoveries into commercial products. "The Centre is an absolute breath of fresh air," says Dr. Henry. "It's a model for the future."

Founded in 1999 by UWO, the City of London, the Robarts Research Institute, and the London Health Sciences Corporation, the Centre moved into a new $8.7 million building last fall. SuperBuild invested $5 million in the project.

The services that will be available are as important as the space, says LBCC president Peter Bruijns. Researchers can turn to the centre for legal advice on incorporating companies, and expertise on accessing venture capital funds, developing marketing campaigns and preparing business plans. "Most of the people who come to us have strong scientific backgrounds," says Bruijns. "They need business skills."

Souhile Assaf, president of Sciemed Inc., is already making use of the facility and its services. His company is attempting to market a deep brain stimulation device that neurosurgeons may one day use in the operating room to locate the parts of a patient's brain that require treatment, while preventing damage to areas that control such faculties as speech and movement.

"It's an excellent facility," he says. "It allows companies like ours to rent space at a reasonable cost and to scale up as our needs grow." ☑

Ottawa

In the spring of 2001, after several years of basic research and animal testing, Dan Sparks believed that he and his team of scientists at the Ottawa Heart Institute had developed a new drug treatment to reduce cholesterol in the blood. To bring that treatment to the public, Dr. Sparks decided to form a company, which he called Liponex Inc. But he had to attract investors and undertake further research before he could conduct the clinical trials necessary to prove the value of the drug and make it a commercial product.

SuperBuild investment helps develop a new heart drug.

Fortunately for him, the Ottawa Biotechnology Incubation Centre (OBIC) was about to open its doors; Liponex Inc. became the first tenant. "They offered us great lab space, which is very expensive to build," says Dr. Sparks. "New biotech companies profoundly need this type of nurturing environment. They have a hard time finding funding during their first few years because the risk to investors is so high."

The Centre's objective is to see start-up biotech companies through those perilous first years and promote the commercialization of their products. The organization was formed by the Ottawa Life Sciences Council in April 2000 and received an investment of $5.4 million from SuperBuild to create facilities suited to the needs of such companies. The Centre accepted its first tenants in October 2001.

OBIC acquired an existing, 18,000-square-foot structure and used $2.4 million of its SuperBuild money, along with funds from other partners, to create labs and office space for eight companies. To date, six firms have taken space. The Centre expects to complete construction of a brand new building later this year. According to Dr. Sparks, the national capital's scientific community sorely needs such facilities. "There's a massive shortage of space for this type of biotech initiative in Ottawa," he says.

The Centre's CEO, Dr. Rainer Engelhardt, says a second building, large enough to accommodate up to 10 companies, will be erected in the Ottawa Life Sciences Park with $3 million from SuperBuild and funding from other sources. It will be able to draw tenants from the four large research hospitals nearby, and from international entrepreneurs. The Centre has received expressions of interest from three American companies, and from India, Germany and France. "The word spreads about facilities like these," says Dr. Engelhardt. "The fact is, the SuperBuild funding has been very effective." ☑



"New biotech companies profoundly need this type of nurturing environment," says Dr. Dan Sparks. SuperBuild invested $5.4 million in the Ottawa Centre.

Room for all

SuperBuild and its partners are investing $2.6 billion to provide a place for every qualified student.

Five years ago, Ontario began to plan new investments in education that would help accommodate both a growing post-secondary enrolment and the need for different skills in the new century. Those plans are now being translated into new spaces for students, new institutions, and new ways of organizing education.



Richard Johnston, President of Centennial's new Progress Campus, says new degree-diploma programs will give students real skills when they enter the job market.

By 2005, enrolment in Ontario's colleges and universities is projected to reach the equivalent of more than 516,000 full-time students—an increase of almost 22 per cent in 10 years. Ontario has promised a place in the post-secondary system for every willing and qualified student. To deliver on that promise, SuperBuild, the province's post-secondary institutions and their funding partners, have invested or committed $2.6 billion for new or expanded facilities. SuperBuild's share of the total is about $1.2 billion.

This investment will add spaces for more than 135,000 new students to the more than 417,000 that were enrolled in college or university in 1999, when the current building boom began. The new student spaces include those that institutions are creating through efficiencies and renewal of their facilities.

Ontario also supports communities as they improve accommodation for elementary and secondary school students. From the 1998-99 school year through to September 2003, $2.4 billion will have been made available to school boards for school renewal and new pupil places.

By September 2003, new permanent facilities will have been built for over 200,000 pupils in municipalities across Ontario, including 226 new schools and 291 additions to existing schools. As a result, 1,960 portable classrooms, or almost 15 per cent, will have been removed from the system.

At the post-secondary level, Ontario's colleges and universities are also developing specialized courses and facilities to accommodate the changing needs of students and the economy. Several joint post-secondary institutions are creating programs that allow students to graduate with both a university degree and a college diploma in four years instead of six. SuperBuild has contributed $145 million to nine such alliances, which will create over 10,550 new student spaces. (See page 17).

Ontario's ability to compete in a knowledge-based world economy depends on educating our young people. SuperBuild's education investments will make sure the right facilities are ready when they are needed. ☑

Our first new university in 40 years

SuperBuild invests $60 million to create a new university that will help students prosper in the new economy.

On the road into Durham College, at the north end of Oshawa, there is a sign reading: "Please Excuse Our Appearance. We are building and renovating for YOUR future." Beyond the sign, six-foot-high chain link fences define a campus filled with portable trailers, heavy equipment and workers scurrying about in steel-toed boots and hard hats.

This is the site of the University of Ontario Institute of Technology, (UOIT). The first new university in Ontario in four decades, the UOIT is a $60 million project, funded through SuperBuild, to address the need for highly skilled workers in key sectors of the provincial economy. "Our niche is going to be the high-end professional school," says University President and Vice-Chancellor Gary Polonsky. "We're going to create top-level young professionals—people who are in terribly short supply in every value-added field in Ontario. Unless we begin addressing that gap, it will threaten the province's strategic industries."

The university is poised to open its doors to its first 1,000 students in September 2003, says Polonsky, who has worked on the project for the past 12 years. "We have a team working around the clock, seven days a week without holidays," he says. "We'll be ready."

The first students will be able to choose among nine degree programs, including business and information technology, education, health science and manufacturing engineering, taught by younger, tenure-track academics recruited from established institutions. They will attend classes and take lectures in a four-storey brick and concrete structure known for the moment as A1, Academic Building One. Two student residences—R4 and R5 for the time being—are also under construction. Two more academic buildings will be started this summer.

Work will begin this fall on a 50,000-square-foot library, temporarily christened A6, which will eventually contain 400,000 volumes, and provide students with electronic access to an even greater variety of research and study material. As well, each classroom and lecture theatre seat will contain plug-ins for laptops, and each structure will contain a wireless network so that students can switch on their computers anywhere—in the halls, the cafeterias or the lounges—and receive e-mails or search the Internet.

The first students arrive in September.

By 2010, when it reaches completion, UOIT will be able to accommodate 6,500 students, within what Polonsky calls a village campus that has a look and layout similar to Harvard or Princeton. All the buildings will be three or four storeys high, and arranged around quadrangles or rectangular courtyards. Benches, fountains, and sculpture in these open spaces will invite students to meet and socialize. "It won't be lavish," he says. "But we're going to end up with a magnificent showpiece, a destination campus." ☑

UOIT President Gary Polonsky and his deans in the new university's south wing. SuperBuild is investing $60 million to establish a state-of-the-art facility.



At Queen's, new facilities replace aging buildings

SuperBuild invested $33 million in new business and chemistry facilities.



Student Anne Lo conducts an experiment in Chernoff Hall, Queen's award-winning new chemistry building. SuperBuild's investments help ensure a place for every qualified student.

When Craig West, a 29-year-old mining engineer, began a one-year MBA program at the Queen's University School of Business last May, he took many of his classes in a nearly windowless basement. One semester later, in September, West and the entire business school moved to a new $25 million facility called Goodes Hall. The change has been dramatic. "It's been really great," he says.

Goodes Hall is a blend of old and new—nearly 70,000 square feet of freshly constructed classrooms and offices with atriums, windows and skylights connected to a renovated, 1892 Victorian schoolhouse. Built with a $6 million investment from SuperBuild and $19 million raised privately, the building is named after Mel Goodes, a Queen's alumnus, the largest single donor and a former chairman of New Jersey-based pharmaceutical manufacturer Warner-Lambert Co.



Goodes Hall is one of several new facilities at Queen's that will replace aging structures with modern facilities, for example, there are 1,300 power points, or plug-ins for laptop computers, including one at every seat in the school's 11 classrooms and 13 meeting rooms. The new buildings will also help the university accommodate the increased number of students who will arrive over the next few years. "We have created classrooms that didn't exist," says acting dean Lew Johnson. "Our ability to teach more students is enhanced."

The same is true at Chernoff Hall, the new home of the Queen's chemistry department, which last September opened its doors to roughly 2,500 undergraduates, as well as graduate students and post-graduate researchers. The state-of-the-art laboratories were built so that equipment could be set up and taken down quickly, says department manager Rick Boswell, in order to maximize the number of students who can use the facilities on a daily basis. "We increased our capacity by 20 per cent through the design process," Boswell notes.



Chernoff Hall, a $57 million structure, was built through a public-private partnership that included a $27 million investment by SuperBuild and an $11 million gift from Michael Chernoff and his son Bruce, both Queen's graduates. The five-storey, limestone-clad building contains two wings, one for labs, the other for classrooms and offices, linked by a glassed-in atrium.

The new complex replaces three other buildings, the oldest of which was built prior to World War One, and it strengthens immeasurably the Queen's chemistry program, says department head David Wardlaw. "We now have one of the best academic research facilities in the country," he says. "This is a signature building and it's going to be very helpful as a tool for recruiting faculty." ☑

Students can access the wireless network from any point in the new Chernoff Hall, funded in part with a $27 million investment from SuperBuild.

New alliances in higher education

SuperBuild investments help colleges and universities collaborate with industry.

Bob Martyniuk is spending a lot of time these days with his eyes on the future. Martyniuk, the faculty advisor at the new Ford Centre for Excellence in Manufacturing at St. Clair College in Windsor, is responsible for purchasing the equipment that will go into a new $24.4 million facility that opens in September. It will train nearly 1,300 students on the most up-to-date industrial machinery. "My mind is about five years ahead of today's workplace," he says. "I don't want to buy used equipment from industry. I'm trying to buy equipment industry doesn't have yet."

"Our ability to teach more students is enhanced."

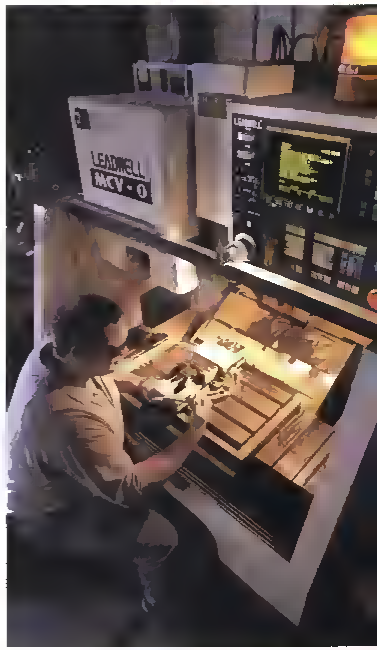
Ontario's post-secondary institutions must keep pace with the times, and that means constantly upgrading equipment to prepare students for the complex technology of the contemporary workplace. As Martyniuk points out, "Currently, we have students operating machines by turning handles manually. In September 2003, those same students will be learning to write computer programs to build complex parts."

The Ford Centre, built with an investment of $11 million from SuperBuild and $4 million in private contributions, is one of several new post-secondary facilities that will prepare students for the digitally dominated workplaces of the future. The 100,000-square-foot complex will have an open main floor filled with state-of-the-art, computer-controlled equipment for students in disciplines such as automotive product design, mouldmaking and tool and die design. Students will climb to their second-floor classrooms via open staircases and catwalks that give the Centre a total industrial ambience.

Other colleges are taking a similar approach. In Scarborough, Centennial College's $75.1 million Science and Technology Centre, developed with the help of a $37.8 million investment from SuperBuild, will contain six multi-task computer labs, each able to accommodate 60 seats. There's also a Learning Resource Centre with over 50 computer workstations. Student lounges will be equipped with plug-ins for laptops, and the building will include a wireless network.

The new construction has created extraordinary optimism and anticipation among both students and faculty. "We get the keys to the building in November 2003," says Renee Kenny, acting dean of the School of Applied Arts and Health Sciences at Centennial. "It's just so exciting. The big thing is we're going to have access to improved technology."

Will it accommodate the future needs of its students? Centennial president Richard Johnston certainly thinks so. "It's going to be a signature building," he says. "It's going to be magnificent." ☑



A new program from St. Clair College and the University of Windsor allows students to graduate with both a college diploma and a university degree in four years, one of 11 similar programs in Ontario.

Forging new partnerships

Colleges and universities join forces to develop new courses. SuperBuild investments are helping.

"I couldn't believe I could get both a degree and diploma in four years," says Andrew Kaszowski, a first-year media studies student specializing in public relations at a new co-operative program now offered by Humber College and the University of Guelph. "That's what stood out about Guelph-Humber for me," he says. "I thought it would give me a competitive edge."

Colleges and universities are developing partnerships that draw from their respective strengths. For example, the University of Guelph-Humber that Andrew attends will eventually offer nine joint degree-diploma programs to as many as 2,000 students. Some of them will study in a new four-storey,

Continued next page.

Hybrid programs give students better job skills

135,000-square-foot building on the Humber campus in northwest Toronto. SuperBuild invested $28.6 million to help build it. Enrolment is expected to rise to 2,000 a year by 2005, and new programs will be added in Justice Studies and Police Foundations, Early Childhood Services, Family and Community Social Services, and Gerontology.

"The reality here is everything I hoped it would be," says Kaszowski. "I can't wait for the opening of the new building."

Similar university-college partnerships are being developed across Ontario. Centennial College will soon be home to four faculties and 3,000 students, all housed in a hillside property adjacent to the University of Toronto at Scarborough. Centennial and the University of Totonto have created three joint degree-diploma programs that will allow students in biotechnology, paramedics and health informatics to graduate with both a college diploma and a bachelor of science degree within four years. Four other degree-diploma programs are in the development stage. "We're breaking brand new ground with U of T," says Centennial President Richard Johnston. "We're coming up with wonderful combinations that will equip students with real skills when they enter the job market."

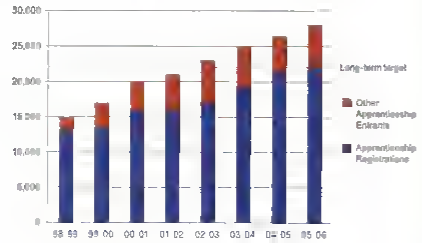
And these examples just hint at the possibilities ahead. Georgian College near Barrie, for instance, currently has partnerships with five universities, and is offering studies in ten programs, including two at the Master's level—part of a long-range strategy to boost university enrolment to 3,000 students by 2010. "It's very important to us," says Bill Gordon, Associate Vice-President, University Affairs. "It validates what we've already done, and will open more doors. It will allow us to bring more and varied degree programs to our region." ☑

Apprenticeship programs booming

Since 1995, Ontario has doubled funding for apprenticeship programs. The province's commitments to apprenticeship and other skills training programs include $33 million by 2004-05 to double the number of new entrants into programs, and $50 million over five years to improve learning facilities and purchase state-of-the-art equipment at community colleges.

The 2003 Budget also announced an investment of $90 million in high schools over the next four years to renew technological equipment, to train teachers and to develop partnerships with employers and colleges. ☑

The number of people entering apprenticeship programs has increased 35 per cent over the past four years; 17,000 new registrants were expected in 2002-03.



Some of Ontario's investments in colleges and universities

Through SuperBuild, Ontario has invested more than $1 billion to expand and improve post-secondary educational facilities across the province. Here are some of them:

Algonquin College, $10,000,000;
Brock University, $15,570,000;
Cambrian College, $14,840,000;
Canadore College, two initiatives, totalling $10,380, 000;
Centennial College, $37,800,000;
Conestoga College, $14,220,000;
Confederation College, $3,990,000;
Durham College, $28,750,000;
Fanshawe College, two initiatives, totalling $29,620,000;
George Brown College, $15,480,000;
Humber College, $17,800,000;
Lakehead University, $13,380,000;
Laurentian University, $610,000;
Loyalist College, $4,000,000;
Mohawk College, $8,480,000;
Niagara College, $4,290,000;
Nipissing University, $11,200,000;
Ontario College of Art and Design, $24,000,000;
Queen's University, two initiatives, totalling $50,760,000;
Ryerson University, two initiatives, totalling $35,650,000;
Ryerson University and George Brown College, $13,380,000;
Sault College, $3,380,000;
Sheridan College, two initiatives, totalling $10,350,000;
St. Clair College, $10,980,000;

To see how Ontario is investing in post-secondary education, visit www.SuperBuild.ca

How we get there

Over the next decade, Ontario and its partners are planning to invest $10 billion in highways and another $9 billion in public transit.

"Forget the damned motor car and build the cities for lovers and friends."

—Urban historian Lewis Mumford

"Everything in life is somewhere else, and you get there in a car."

—Writer E.B. White

Those two views neatly summarize the extremes in the discussion about public transportation policies, and it is no accident they both come from the United States, where the world's longest love affair with the automobile has affected every aspect of society.

The extremes of the argument are present here too. In downtown Toronto, almost half the households don't own an automobile. But in the sprawling suburbs of the Greater Toronto Area, many households have a car for every adult, because, as Elwyn White pointed out, everything is somewhere else and you need a car to get there.

There is another issue that can't be ignored. Ontario earns a large part of its living by exporting goods to the United States, mainly by truck, and we depend on efficient highway networks to move goods worth more than $1.2 trillion a year to foreign and domestic markets. That amount is expected to double over the next 30 years, which means our existing roads will not be able to accommodate the traffic. Like it or not, Ontario's economy will need new highways.

But not at the expense of public transit. Ontario and its federal and municipal partners have developed a bold initiative to invest $19 billion in the transportation network over the course of the next decade. Included in that investment is $10 billion for highways and $9 billion for transit, including $3.25 billion of provincial funding to expand and renew public transit. The new investments will build on the $75 billion Ontario has already invested in the transportation network since 1995.

The investments—those already made and those to come—in both highways and public transit facilities will have a direct impact on millions of people. For example, York University student Maria Gouchtchina is one of thousands of students who ride comfortably to school on GO Transit every day, after York got its own train platform in September 2002. The new platform is connected to the campus by shuttle buses. She saves 40 minutes each way on her one-hour commute. "I can't imagine myself without the train," she says.

Last year, two new GO stations opened in Markham, and new stations are planned for Brampton and Newmarket. GO buses arriving in Totonto now use a new terminus station across the street from Union Station. GO Transit is also adding extra trains, expanding bus service, and adding thousands of parking spaces at GO stations.

Not all of the traffic flows like the tide, into Toronto in the morning and out again at night. York region, for example, has 80 commuters enter the region to work for every 100 that leave for Toronto. So the region is building better facilities for inter-regional traffic. You can read about them on page 22.

Ontario is also undertaking substantial expansion and renovation of the highway system. Highway 401 near Toronto includes some of the most traveled roadway in the world. As part of a $401 million initiative to upgrade Highway 401, 20 new lane-kilometres of pavement are being constructed. Other highways in the 400 series have been widened and upgraded, and some are being studied for extensions.

Initiatives now underway for smaller communities will enhance their residents' quality of life and their environment. Highway 11 between Emsdale and Melissa in northern Ontario, for instance, was widened to four lanes, and four new bridges were built, allowing for better access to the town of Novar. And the $23.8 million investment to construct twin bridges on the Highway 417 extension west of Ottawa will give Amprior residents better access to the Canadian capital without disrupting the sensitive ecosystem on the Mississippi River's wetlands.

Millions of people across Ontario will benefit from SuperBuild investments in highways and public transit. You can meet some of them in the pages that follow. ☑



Over the next 30 years the value of goods carried on Ontario's highways will double. SuperBuild is working now to create the transportation systems we will need in the future.

Highway expansion:

Faster commutes and better access to markets

Frank Gosling lives in two worlds, an hour-long commute apart. One is his sheep farm in the Hockley Hills, with its fresh air, absence of crowds, and stunning views of tranquil nature. The other is his job in Oakville, where he designs industrial valves for an engineering firm. Separating them is two hours a day on back-country roads and superhighways, the price he pays for a country life with city wages.



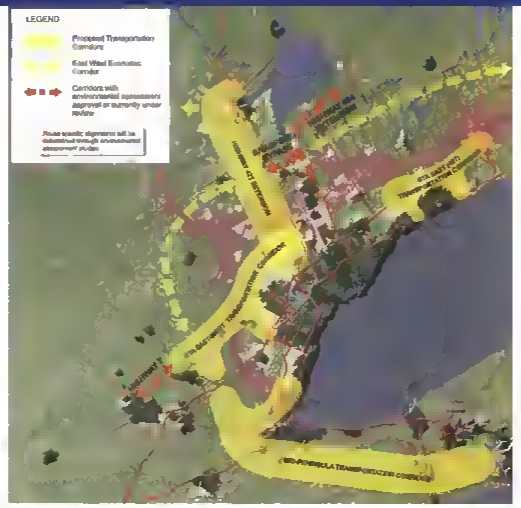
Gosling considers the workday drive a worthwhile tradeoff. At the same time, he is closely following SuperBuild's environmental assessment study of a proposed new highway north of Highway 7 and connecting to Highway 427. It would run north from Highway 7 on Toronto's northern rim to the west side of Barrie, and Gosling is watching it for two reasons: the proposed route passes through part of the ecologically sensitive Oak Ridges Moraine, which this country boy wants to see protected; and the access ramps would be minutes from his farm, so the city boy could measure the drive to work in minutes, not hours. "It would be terrific," he says. "It would take my drive down by a third."

Those two concerns—protect the environment, but build more highways—summarize the attitude toward highway construction held by many. And Ontario, through SuperBuild, is responding to the demand with ambitious proposals for extensions of four-lane highways in heavily populated southern Ontario, improvements to routes that carry our goods from eastern Ontario to markets in the United States, and better road connections to help the north grow and prosper.

To accommodate the relentless growth of the Greater Toronto region, for example, design work is underway to extend Highway 410 north from Bovaird Drive to Highway 10 through Caledon into Mono Township. Environmental studies and route planning and design have begun to extend Highway 404 from Newmarket to the southern edge of Lake Simcoe, and then east to Highway 12 near Beaverton. The so-called "Bradford Bypass"—a link between Highways 404 and 400—is associated with that project. Construction could start in 2006. Other plans would create an alternative to the aging Queen Elizabeth Way through the Niagara Peninsula, the mid-peninsula corridor that is beginning to attract public discussion.

It can't happen too fast for Frank Gosling. He says SuperBuild's commitment to our transportation infrastructure is "terrific."

"I'd far sooner have my tax money spent building those kinds of roads than anything else," he says. ☑



New transportation corridors will ease gridlock and move goods to market faster in the Golden Horseshoe and north of Toronto.

The $10 billion investment in highway infrastructure will reduce driving times for commuters like Frank Gosling. An additional $9 billion will be invested in public transit over the next 10 years.

Battling gridlock in the lab

Baher Abdulhai and Pete Armoogam are both city drivers who hate traffic congestion. Unlike the rest of us, however, they are doing something about it.

Abdulhai crunches data at the University of Toronto's engineering department's "traffic lab," creating computer models to help improve traffic in the future. Armoogam helps real-life drivers avoid traffic jams today at the Ministry of Transport's COMPASS traffic management centre north of the 401 in Toronto.

Both have the same goal: harnessing the power of computer technology to help combat gridlock. This is how they do it.

Intelligent Transportation Systems Centre

The Intelligent Transportation Systems Centre at the University of Toronto is using real-time data from detector systems under major roadways, video feeds from traffic cameras and information from the provincial and municipal traffic centres to model traffic in Toronto and to conduct "what-if" experiments that may make it better.

What if we use traffic lights to regulate access to an on-ramp to the Gardiner? Would there be less congestion at Point A if the road were widened to four lanes at Point B? What if we synchronize the traffic lights on arterial roads? How much do interactive signs improve traffic flow?

The Centre's 30 computer stations and 20 video monitors create computer animations that simulate Toronto's transportation system, complete with realistic but artificial accidents, breakdowns, and traffic jams. The system can even simulate road rage, which makes drivers more accident-prone. Then the computers go to work, devising alternative flow patterns and controls that allow the cars to respond to the resulting traffic problems.

Baher Abdulhai is the founder and director of the Centre, which is partly funded by the Ontario Research and Development Challenge Fund and partners from the government and the private sector.

The Centre is creating a computer program they hope is capable of controlling traffic in Toronto today and in the future. The ultimate dream is a system in which drivers wouldn't even need to steer or push the pedals, their cars would figure out the best and fastest route, and deliver them to their destination. "It's not that far-fetched," promises Abdulhai.

The COMPASS Traffic Management Centre

Back in the present, Pete Armoogam worries about real-life traffic jams at the Ministry of Transportation's COMPASS traffic management centre. "Every two minutes that a lane is blocked means 10 minutes of congestion," says Armoogam. "The quicker we can clear that up, the less time we waste to congestion, and the lower the level of emissions in our environment as well."

COMPASS was established in 1991 to monitor and control traffic conditions on most 400-system highways around Toronto and west along the Queen Elizabeth Way. It uses 152 cameras, thousands of buried sensors that measure traffic density, two satellite control centres, and observations by staff patrolling the roads.

The system automatically flashes warnings and up-to-the-second traffic information to 47 changeable overhead message signs. COMPASS also provides radio and TV traffic desks with instant information that's so reliable some have stopped using expensive traffic helicopters. In addition, COMPASS operators often see mishaps as they occur, and instantly alert emergency vehicles. They even direct plows to snowy areas.

It all helps commuters get home faster and safer. ☑



Gridlock fighters Baher Abdulhai, right, and Pete Armoogam in the Intelligent Transportation Systems Centre at U of T. SuperBuild investments are helping develop ways to manage traffic better.

Public transit for the suburbs

York Region is planning a ultra-modern transit system. SuperBuild's investments will help get it started.

The regional governments surrounding Toronto are enjoying rapid population growth and an expanding job base. And that growth is leading municipalities to turn toward public transit as an essential element in their development. York Region, north of Toronto, is a case in point.

York now accounts for about 40 per cent of the growth in the Greater Toronto Area—the region adds 40,000 new residents and 20,000 new jobs every year—and that burgeoning growth is changing traditional traffic patterns and traditional traffic planning throughout the area. Once traffic flowed like the tide into Toronto every morning and out of the city every night; now 80 people commute into York each morning for every 100 who commute out.

To accommodate those changes, York Regional Council approved a partnership of public agencies and private companies to develop brand-new public transit services from scratch. "We had to do something, as quickly as possible," says Mary-Frances Turner, executive co-ordinator for the York Region Rapid Transit Plan. "And we knew the answer didn't lie in just widening roads."

SuperBuild and the Ontario Ministry of Transportation are currently reviewing proposals developed by the team to share the cost of phasing in a rapid transit system across the region. But it will be a transit system for the future, with some decidedly new wrinkles: buses will be able to use exclusive stopping lanes at intersections, and the new buses will have a built-in device that will communicate with the system that controls traffic lights. If the bus is behind schedule, the system will allow buses to move ahead of other traffic.

Those are just the beginning of practical improvements York is considering. Over 10 years or more, ultra-modern large-capacity, low-emission buses and light rail cars could be phased in. Modelled on successful systems in Europe, New Zealand, and the United States, the $4 billion light rail system could run on dedicated pavement and track along four congested corridors, including Yonge St. north to Newmarket, and east and west along Highway 7, as well as into York University.

Some 7,300 riders on GO's Richmond Hill line are already testing a "smart" electronic fare card for York and GO Transit. One day riders may be able to use these cards to ride a suburban bus, transfer to a GO train, then take a Toronto subway.

SuperBuild, through the Ontario Transit Renewal Program (OTRP) provided $2.2 million last year to refurbish 12 buses and purchase nine replacement buses. York Region Transit's 2003 OTRP allocation is over $600,000.

The Region is also working out performance-based contracts, complete with bonuses or fines for good or poor service, with the four private contractors that run its buses. Other municipalities may emulate these contracts when they start using private contractors.

How do the residents feel about these changes? Student Chris Chang, who lives in Richmond Hill and rides the buses, speaks for many when he says, "Waiting for the bus is frustrating." The changes, he says, "will be great." ☑



Modern large-capacity buses, light rail and dedicated roadways are being considered to improve public transit in York Region.



Gord Dilworth is delighted with SuperBuild's $23 million investment in widening Highway 401 near his Waterloo area plant. "This investment helps to keep us competitive," he says.

To market, to market:

Highways are the difference

Stack A Shelf, Canada's largest manufacturer of ready-to-assemble furniture and storage products for home and office, grew from a modest start-up to a modern, half-million-square foot factory that employs 650 people. Ontario's efficient highway network made it possible. "The transportation system is critical," says President Mike Snow.

Stack A Shelf receives more than nine truckloads a day of supplies from mills and factories in northern Ontario, Quebec, and the United States, and ships 20 to 30 semi-trailer loads of finished product daily to major U.S. retailers and Canadian stores.

"We ship to a variety of distribution warehouses and also direct to stores," says Snow. The company relies on Ontario's highway system to get raw materials in and manufactured goods out. "Our merchandise has to get there on time," he says. "Our leeway is often measured in days and weeks, not months. It's extremely tight." Adds Gord Dilworth, Director of Manufacturing, "The road systems and access to major traffic lanes are very important."

Not surprisingly, Snow and Dilworth are delighted with Ontario's $23 million investment in widening Highway 401 in the Waterloo area near the plant. "These improvements in infrastructure are all part of the total package of being competitive," says Snow.

Packaging supervisor Bobbi Jo Huber, who relies upon her Stack A Shelf salary to supplement her husband's income, is counting on her employer to stay competitive. "Without my job, we wouldn't be able to afford camping in the summer like we do," she says. "Even some of the foods we buy … clothing on our kids' backs. We'd have to cut back on a lot of that stuff."

Ontario's ongoing commitment to transportation infrastructure helps keep her employed, and her employer in business. ☑

Some of Ontario's investments in transportation

Through SuperBuild, Ontario has invested or committed $5.1 billion for transportation projects across the province. Here are a few of them.

Niagara Falls Municipal Transit Renewal Program, $800,000;
St. Catharines Municipal Transit Renewal Program, $1.4 million;
Welland Municipal Transit Renewal Program, $228,100;
Highway 6 expansion, $3,934,000;
Highway 6N expansion near Hamilton, $3,715,000;
Highway 7 expansion, $5,104,000;
Highway 8 expansion, $28,818,000;
Highway 9 expansion, Newmarket, $8,982,000;
Highway 11: three projects, totalling $112,014,000
- near Trout Creek, $46,198,000;
- north of Highway 124, $24,450,000;
- near Huntsville, $41,366,000;

Highway 17 expansion, Garden River First Nation, Sault Ste. Marie, $63,400,000;
Highway 400: two projects, totalling $30,281,000:
- Vaughan, $15,281,000,
- Major Mackenzie Drive, $15,000,000,

Highway 401: five projects, totalling $70,087,000.
- near Regional Road 97, $29,000,000,
- Highway 2 to Highway 28, $21,089,000,
- west of Durham Region/Northumberland County boundary, $8,645,000;
- Wesleyville to Welcome, $11,353,000,

Highway 401/404 expansion of interchange, Toronto, $8,120,000;
Highway 404: six projects, totalling $69,970,000, including:
- Toronto, $10,996,000,
- Newmarket, $14,239,000;
- Richmond Hill, $21,041,000;
- Aurora, $14,894,000,

Highway 410 expansion, Brampton, $5,016,000;
Highway 417: four projects, totalling $75,886,000, including:
- Ottawa-Carleton, $8,400,000;
- Mississippi River Bridges, $23,400,000,
- Regional Road 29, Highway 17 Intersection, $17,986,000.

To see how Ontario is investing in transportation, visit www.SuperBuild.ca

Building better communities

SuperBuild has committed more than $850 million for 650 community projects. Total value from all partners is more than $2.9 billion.

"Communities evolve," says Henry Stolp. "They don't happen overnight."

Stolp, a real estate developer, is talking about the lack of amenities on Toronto's waterfront and the ambitious plan to spend 20 years and billions of dollars to create a brilliant new centrepiece for the city. (See page 28)

But his observation is equally applicable to hundreds of cities, towns and villages across Ontario. Communities evolve. They grow. And the Government of Ontario, through SuperBuild, is helping them.

Since 1999, SuperBuild has invested hundreds of millions of dollars, in hundreds of projects, in virtually every community in Ontario, for everything from local community centres to world-class cultural attractions like the Art Gallery of Ontario.

In one sense all the investments SuperBuild makes—including the billions of dollars invested in hospitals, highways and universities—can be regarded as investments in stronger communities. They help communities large and small grow and prosper. But three programs in particular are intended to make Ontario's cities and towns more attractive places to live, work and raise a family.

One is the OSTAR initiative—the acronym stands for Ontario Small Town and Rural development—that helps smaller municipalities provide the necessities of community life, ranging from clean water plants to better roads and bridges. A second is the Sports, Culture and Tourism Partnership, which helps finance the public amenities—community centres and museums, botanical gardens and hockey rinks—that give flavour to life in communities of every size. The third is the Millennium Partnership, which provides assistance to Ontario's largest municipalities as they reinvent themselves to meet the challenges of the 21st century.

Taken together, these programs total more than $850 million invested or committed through SuperBuild, and hundreds of millions more invested or committed by its public- and private-sector partners. Another $500 million from SuperBuild is earmarked for the redevelopment of the Toronto Waterfront, with matching commitments from federal and municipal governments.

That money is creating an unprecedented urban renaissance in our towns and cities. The effects will be felt for generations to come.

You can see the results in the next few pages. Or you can look around, like Henry Stolp, and see your own community evolving. Everywhere. ☑



Goderich

A small town defines civic spirit.

When historians of the future try to define "civic spirit" in Ontario, they might just turn a picture of the town of Goderich, on the shores of Lake Huron. The reason is next to the shopping mall, right downtown, where construction teams are erecting Goderich's new Community Health and Wellness Centre.

When the Centre opens this fall, it will be a welcome addition to what has been called "Canada's Prettiest Town."

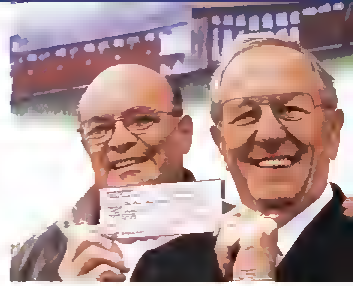
Goderich is 175 years old, and it has turn-of-the-century—as in the last century—charm and tourist appeal. What it lacked were a few modern amenities.

The new Centre fills that gap with a gymnasium, an indoor swimming pool, and a jogging track suspended over a 1,200-seat hockey rink. The ice sheet will supplement the town's arena, which is half-a-century old.

It was Goderich's community spirit—combined with a roll-up-the-sleeves work ethic and a band of enthusiastic local organizations—that made construction of the $13.8 million building possible. The town had a recreation centre on its wish list for 20 years. A few years ago, the town council set up the aptly named "Mind and Body Community Campaign" to find potential donors to expand the local library and build the Wellness Centre.

Volunteers hurried to help. They developed sophisticated presentations for executives and solicited pledges from homeowners over coffee. And money poured in—from service clubs, from the Independent Order of the Daughters of the Empire, which raised a regal $125,000, from local high school students who sent $1,000, and from hundreds of individual citizens and families who pledged $1,000 each over five years.

In the end, Goderich's 7,500 residents produced donations worth $5.5 million in cash and kind—about a third of the total cost. That grassroots support encouraged provincial and federal governments to contribute. Ontario and Ottawa each chipped in $1.75 million. The remainder—about $5.3 million—is coming from Goderich's town budget, which means that the community provided more support for the project through individual donations than any of three levels of government—a remarkable achievement for a town of any size, and doubly remarkable for a town of 7,500. ☑



Retired police officer Les McKnight, left, turns over a $200 cheque to fundraiser Bruce Sully. SuperBuild invested $1.75 million in the project.

Peterborough

Something for everyone in the new sports centre.

Debbie Van Huizen, one of Canada's most versatile athletes, smiles when she talks of the City of Peterborough's new Sport and Wellness Centre, scheduled to open in the spring of 2005. "SuperBuild is spending its money wisely here," she says.

Not just SuperBuild. The Wellness Centre represents a unique partnership involving the provincial and federal governments, the City of Peterborough, Sir Sandford Fleming College, and the College's Student Administrative Council, which is committed to raising some of the money for the project. The Government of Ontario, through SuperBuild, is contributing $2.8 million of the $14 million total cost.

The result is the largest recreational infrastructure project ever for Peterborough. When it opens, the Centre will include an aquatic centre, triple gymnasium, indoor track, climbing wall, and fitness and exercise facilities. It will be a 60,000 square foot facility built on 13 acres of campus land donated by Fleming College.



Debbie Van Huizen, an outstanding wheelchair athlete, is a member of the design team for the new sports and wellness centre. SuperBuild is investing $2.8 million in the project.

Van Huizen, the Fitness and Lifestyle Coordinator at Sir Sandford Fleming College, is an outstanding wheelchair athlete. She is currently a member of Canada's disabled cross-country ski team and has competed internationally for Canada in wheelchair track and basketball.

She also represented Fleming College on the design team for the Centre, and helped ensure the facilities will be fully accessible to special athletes.

But the beneficiaries will include all of Peterborough's community groups. "We decided that we would build a wellness centre that would encompass a more holistic approach to health and well being for the community," says Mary Gallop, manager of the city's recreation division. "We also wanted to address the needs of children and young adults, as well as the interests of older adults." ☑

Entertainment

In London, the best seats in the house.



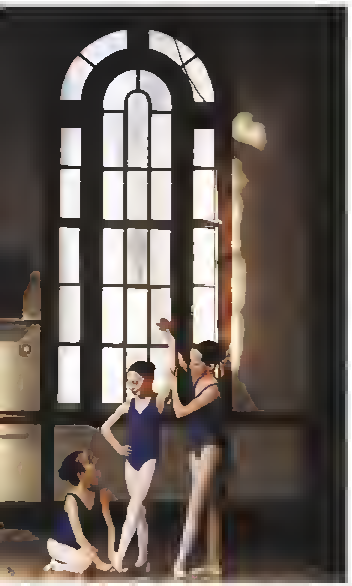
"Twenty minutes," Jim King says with a chuckle and a hint of disbelief in his voice. That's all it took to sell all 9,100 seats at the John Labatt Centre in London for a show by that ageless showbiz wonder Cher. Tickets for heavy metal group Guns N' Roses went just as fast. So did seats for the Royal Christmas Show featuring Julie Andrews and Christopher Plummer.

But the star of all these shows is the John Labatt Centre itself, a $47.5 million sports and entertainment complex that opened in downtown London in October 2002.

Jim King is the chief financial officer of Ellis-Don Construction Ltd., the London construction firm that built the John Labatt Centre and maintains an equity interest in the complex under a unique and award-winning public-private partnership. The City of London put $35 million into the project while King's company and two partners contributed $10 million. SuperBuild invested $2.5 million in the project.

The complex has become the new home of the London Knights Junior A hockey team, the primary tenant. More important, it has catapulted London into the big leagues of popular entertainment. The city is now part of the circuit for major touring acts such as Cher and the Royal Christmas Show. A critical component in this award-winning mix was the $2.5 million contribution from SuperBuild. The money was used to build numerous upgrades and enhancements that have made the John Labatt Centre more than just a big venue for hockey and rock shows. It is now a versatile, first-class entertainment complex capable of hosting both Cher's Las Vegas-style act and more intimate performances in a smaller 2,500-seat theatre created by curtains that drop from the ceiling, retractable seating and a moveable stage—features built into the complex, thanks to SuperBuild's investment in the project.

"It's very expensive to do this," says Vic Cote, the city's general manager of planning and development, "and the SuperBuild money allowed us to add the little things that make the building an entertainment complex as much as a hockey arena." ☑



Culture

National Ballet School

The present National Ballet School is straight out of the 19th century: apart from a studio and some offices, it is essentially a row of cramped houses on Maitland St. in downtown Toronto. The school has about 150 academic students from grade 6 to grade 12, 100 of whom are boarders.

But soon a brilliant new facility will rise on the nearby site of the old CBC broadcast centre. SuperBuild has committed a maximum of $20 million in the project, an amount to be matched by the federal government.

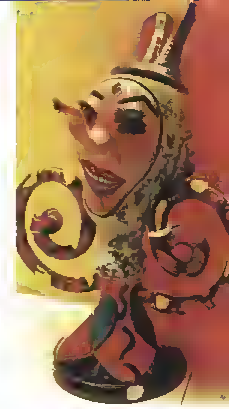
This will not be a school in the usual sense, notes Robert Sirman, the administrative director. "It's a misconception that this is an academic school with a rich ballet component," he says. "This is a national training institution for ballet professionals." He likens it to an Olympic team.

"We're trying to make history and it's pretty daunting," he says. He gestures at a model of the new school that is sitting on a table in his office. "The amazing thing is that we've got this far ... and we have the governments' commitment that they'll partner us and we've put in place the private fund-raising methodology that we need." ☑

Young ballerinas will benefit from a brilliant new facility in downtown Toronto. SuperBuild has committed up to $20 million for the project.

Attractions

Quality facilities attract tourism dollars and help the local economy.



SuperBuild is investing $2.5 million to help renovate the Gardiner Museum of Ceramic Arts.

Where University Avenue meets Bloor St. in the shadow of the University of Toronto, a line of school children files down the wide steps of the Royal Ontario Museum.

They're laughing and talking excitedly about what they've seen—it's often the dinosaurs—while just inside the front door Kate Endicott is sitting waiting for a friend. "I've been coming here since I was a child and I come as often as I can," she says. "I can't imagine it not being here."

Like the Art Gallery of Ontario and the National Ballet School, the ROM has ambitious expansion plans. They include a new building, two major exhibition halls, a new cafeteria, a new store, and a subway entrance. SuperBuild has committed $30 million for the project, the federal government has agreed to match that commitment.

William Thorsell, the ROM's president and CEO, says the process of building public support for the project showed him there is "a huge latent desire for great new projects, as long as they're exciting and good. There's a fear of mediocrity, doing awful things, even ordinary things, but if you come forward with some high quality proposals, there's a desire and support for those proposals."

Thorsell is upbeat. He says that over three nights in February more than 3000 people came just to hear the architects make their project proposals. One night there were so many they had to close the doors because of the fire code. "A guy speaking later at the mike said that the crowds on the subway that night reminded him of when the Leafs were over at Carlton St. Everyone was getting off at once, except that this time the subway stop was Museum." ☑

Art Gallery of Ontario

Barbara Carson, a smiling and friendly woman is a volunteer in charge of the Art Gallery of Ontario's nearly 800 other volunteers. They average about four hours work a week—in the souvenir shop, handling picture rentals, in the library, "doing all sorts of things." "I can't give a lot of money," she explains, "so this is my way of contributing."

On a bitterly cold January day, a stream of people pass through the AGO's basement looking at sketches and posters of the AGO's expansion plans for Dundas and McCaul Streets. They pause to watch a short video in which Canadian-born Frank Gehry, the renowned architect, reminisces about growing up not far from the gallery.

He's "thrilled beyond belief" to be coming home to design the expansion which will house, among other things, the 2,000 works donated by philanthropist Ken Thomson. The expansion will cost about $500 million in total. SuperBuild has committed $24 million to support the funding campaign, an amount matched by the federal government.

The expansion, which AGO director Matthew Teitelbaum refers to as Gehry's "magic," will mean more space, and easier movement from gallery to gallery. "SuperBuild has allowed us to imagine our project with greater ambition than otherwise would have been possible," Teitelbaum says. He hopes the AGO "will be seen as one of the great art museums in North America." ☑



Art lovers enjoy the works of Canadian artists from the 19th century in the Victorian Salon at the AGO. SuperBuild has committed $24 million to support the expansion of the Gallery.

Toronto Waterfront
Revitalizing a great asset

SuperBuild has committed $500 million to the project.

Henry Stolp lives on the Toronto waterfront, on Queen's Quay, and he'd like to see some changes there.

"The trouble with the waterfront now is that it's linear," he says. "There aren't enough amenities—no gas station, hardware store, pet store. The things that make up a community just aren't there. It's a pretty desolate place, and it doesn't have to be."

Stolp, a developer himself, is at a conference on urban development at the University of Toronto. He's listening to John Howe, one of the people charged with redeveloping the waterfront.

Howe, director of SuperBuild's Toronto Waterfront Revitalization Secretariat, tells the room that he remembers his father taking him to Ontario Place in 1970 and the thrill he felt as a six-year-old. Thirty years later he took his own son there. "I looked around. And I could see the possibilities everywhere around me." The waterfront development proposals SuperBuild is supporting will help realize them.

The development will focus on the 2000-acre central waterfront area from Dowling to Coxwell Avenues. There will be at least 40,000 low-level residential units "in a series of dynamic, live-work communities," workplaces for 30,000 people, new parks and, what is seen as crucial, "continuous public access to the water's edge."

The mouth of the Don River will be restored to "a pristine, naturalized state." A new subway platform will be built at Union Station to improve TTC capacity. GO Transit rail service to and from the downtown core will be expanded. And to get traffic flowing more easily in the west end, Front St. will be extended two kilometres from Barhurst to Dufferin, with new access to the Gardiner Expressway.

Howe says "it could take us 20 to 30 years to reach the end-state vision." And it's a vision with a hefty price tag—at least $17 billion. Ontario, Ottawa and Toronto have agreed to equally share the initial costs. Ontario, through SuperBuild, has already committed its $500 million of the $1.5 billion needed to get the project started.

But money alone won't produce the kind of community Henry Stolp envisions; time and money are required. "Communities evolve," he says. "They don't happen overnight." ☑



Investments of $17 billion will be needed to rejuvenate Toronto's waterfront.

Some of Ontario's investments in communities

Through SuperBuild, Ontario will invest more than $850 million to strengthen communities across the province. Here are a few of the projects.

Art Gallery of Ontario (Toronto) Art Gallery/Collection and Gallery Expansion, $24,000,000;
City of Brampton, Rectify health and safety and accessibility issues, $1,008,804,
City of Brant County, Improve accessibility to Syl Apps and South Dumfries Community Centre, $37,558;
City of Burlington, Downtown Waterfront Development Project, $3,375,000,
City of Cornwall, Construction of Aquatic Centre, $2,319,755;
City of Dryden, Upgrading Dryden Recreation Centre, $171,334;
City of Elliott Lake, Upgrade Lester B. Pearson Civic Centre, $200,947;
City of Greater Sudbury, Addressing Health and Safety issues at 16 municipal arenas, $337,415;
City of Kenora, Renovation and expansion of existing recreation facility, $1,000,000,
City of Kingston, New and upgraded infrastructure of six arenas, $400,819;
City of London, Construction of London Entertainment and Sport Centre, $2,500,000;
City of Markham, Construction of a community centre and library, $1,790,300,
City of Niagara Falls, Construction of a new community centre, $3,000,000;
City of Oshawa, Renovate and expand Northview Community Centre, $524,600;
City of Ottawa, Upgrading 26 recreation facilities, $216,573,
City of Owen Sound, Renovation and expansion of community centre, $950,000;
City of Pembroke, Extending Pembroke area Community Centre, $76,800;
City of Pickering, Construction of a third ice pad in the Don Beer sports facility, $587,000;
City of Quinte West, Upgrading facilities, $569,919.

To see how Ontario is investing in communities, visit www.SuperBuild.ca

Writers
Bill Boyd
Alan Dickie
Ken Ernhofer
D'Arcy Jenish

Photographers
Ken Kerr
Warren Toda

Photo Editor
Peter Robertson

Design
Creative Pathways
Johnny Koo
Ian J. Koo

Production Co-ordinator
Jeff Kerr

Project Manager
Ken Mallett

Editor
Bill Dampier

Ontario and its partners are investing more than $15 billion in over 4000 projects in every corner of the province. To see the projects in your community, visit www.SuperBuild.ca.

BUILDING ONTARIO'S FUTURE TOGETHER

For further information about any of these projects contact:

Ontario SuperBuild Corporation
Frost Building South, 6th floor
7 Queen's Park Crescent
Toronto, Ontario M7A 1Y7
Telephone: (416) 325-0424
Fax: (416) 325-8851
E-mail: info@SuperBuild.gov.on.ca

English and French enquiries: 1-800-263-7965

Ce document est disponible en français

continued from page 34

tail brokers to help make their clients more money. If it's positive, research helps corporate finance, as well, to sell a financing proposition to a company that's seeking to raise funds and to attract investors.

There's supposed to be a so-called Chinese wall separating research and corporate finance, but at the same time there's necessary collaboration between the two. Corporate finance may consult with research when it looks into a potential underwriting deal, and if research advises against the deal, the bankers are expected to back off. But once a deal is in the works, the analysts can't make recommendations and must step aside.

What's made it easy to corrupt the analysts is the same reason brokers, dealers, analysts and traders all join the investment business: money. Traditionally, a firm's trading business was its cash cow, but commissions have fallen steadily since trading fees were de-regulated in 1986. Now corporate finance is the revenue driver. Research has always been a cost centre, but now its tab is picked up by the investment bankers. Even an analyst's annual bonus, which can be double his or her salary, is set by the investment bankers.

The tech bubble also played a role in corrupting research. The IT sector, where insiders say most of the bogus reports have been found, was full of companies that were simply ideas with no real assets—and tricky to quantify. Mills ran into trouble on one of the first reports he wrote after joining a major bank-owned Bay Street firm. As he was preparing a draft on a software company that had just gone public (but is no longer around), the firm warned it would fall short of its quarterly forecast. Mills decided to recommend investors hold their stock. Still, he was counselled by a more senior analyst to call the company a "buy." He did, and afterward was told he would have been "toast" if he hadn't. "Imagine," Mills says, "a junior analyst hearing that sort of thing."

Mills says his workplace performance evaluations were good right up until he was fired in the spring of '99. His director of research told him he was being replaced by a higher-ranked analyst. But a senior tech analyst with his firm had a different story. "I was basically told," Mills says, "that corporate finance was no longer behind me."

Today, Mills, who's in his late 30s, lives in Vancouver. In the mornings, he researches stocks and invests for himself. "I realized a good analyst can make more money investing for his own account than he can working for an investment firm," he says. In the afternoons, he's taking a French cooking course. The one thing from the corporate world he misses, he says, is the expense account and its $400 dinners. "But if I can cook the same dinner for myself and my friends for a hundred bucks, I'm doing it."



Backed by federal and state regulators, Spitzer announced a US$1.4-billion penalty

OPINION IS split on how rotten things really are. 'Are there bad analysts?' asks one player. 'Absolutely. Are there bad cops? Bad journalists?'

CANADIAN REGULATORS have long been aware of the temptations for analysts to alter their recommendations. Remember Bre-X? That 1997 fraud, and the bevy of over-eager analysts touting the disastrous mining stock, led to the ultimate Canadian response—a string of committees and commissions and task forces. One of those groups, chaired by Purdy Crawford, former chairman of Imasco Ltd., recommended new rules be drafted for analysts back in November 2001—when Spitzer's group was roughly halfway through its investigation of abuses that took place the previous year. As heads roll and Wall Street gets smacked for its sins, the Canadian rules have yet to be put in place.

But they *are* imminent, officials claim, and will be similar to those imposed in the U.S. The goal is to separate a brokerage's research and investment banking divisions by creating separate supervisory structures and compensation models. Analysts, for instance, will no longer be paid according to how much investment banking business they help to attract to their firm, but rather by the quality of their research.

Opinion is divided on how rotten things really are. The U.S. investigation is a "witch hunt," says one Bay Street veteran. "Are there bad analysts?" he asks. "Absolutely. Are there bad cops? Bad doctors? Bad journalists? Biases existed in the '90s, and investors were fine as long as they were making money. But once the bear market took over, a scapegoat had to be found." But others say the problems are serious and need fixing. Dlouhy, who started in the investment business in the late 1950s, says the industry has got out of control. "I've been in this business for a long time. I've never seen the level of greed and corruption that I have in the last three or four years—*ever*." The worry, though, is that when the bull market returns, investors will happily make their money again, and no one will care.

kmacklem@macleans.ca

STEFAN ZAKLIN/GETTY IMAGES



WALL STREET'S SHAME

Loathsome U.S. financiers are much too casual about findings of civil fraud

NOT LONG AGO few investors could identify Eliot Spitzer, New York state's crusading attorney general.

He is now a very big name, because lengthy excavations in the slime of Wall Street have exposed to the light of day a long list of loathsome creatures. What's most impressive is that they are ranked among the Street's glitterati with obscene payscales befitting the 1990s' glitterati, for what now turns out to be obscene behaviour. Spitzer found that they and their firms have committed an array of misdeeds, including civil fraud, and so they are being punished. The financial penalty is US$1.4 billion levied against 10 major investment banking and brokerage firms. That amount includes US$875 million in fines. These findings of fraud and malfeasance mean that the Street will be hit with billions of dollars of class-action lawsuits.

Heading the Spitzerlist is Sanford Weill, CEO of Citigroup, the gigantic financial conglomerate. As this column has previously noted, Spitzer produced evidence that Weill, a director of the 92nd Street Y, agreed to a deal with his star telecom analyst, Jack Grubman, for placement of Grubman's twins in the Y's prestigious nursery school. Weill arranged for Citigroup to make a large donation to the Y, and Grubman changed his "neutral" rating on telcom giant AT&T stock to a "buy." That "buy" recommendation was designed to delight Citigroup director Michael Armstrong, the then-CEO of AT&T, who agreed with Weill to have co-chairman and potential rival John Reed fired. Reed, who may be the greatest retail banker in modern history, had built Citibank's consumer brand as a symbol of trust. Weill was really interested in investment banking and seemed to resent Reed's insistence on building consumer banking.

For his malfeasance, Weill was given a penalty so elegantly designed that it could have been devised by the Mikado for his sublime "let the punishment fit the crime" campaign. Weill is forbidden forever to talk to any of his brokerage firm's analysts without the presence of an independent witness. In other words, Weill is labelled a perpetual walking financial SARS case, so dangerous that he must not open his toxic mouth in the presence of analysts without a professional sanitizer present.

That slap on the Weill lips has aborted the mini-bull market in his planned autobiography. His agent had been seeking a Clintonesque advance for a book that would show how he created a great investment bank on the basis of integrity. Publishers have backed away from a lengthy hymn to the Weill wiles.

What about the other big names on the Street? Ten major firms had to agree not to disagree with Spitzer's specific charges, including such practices as paying outside analysts to tout new stock issues they were peddling (which is known as shilling) and paying their own analysts based on the investment banking they brought in rather than on making good stock recommendations that led to profits for their retail and institutional equity clients.

YES, PEOPLE who bought tech stocks were carried away by greed, but most of them got that way because of shills and mountebanks

So how have they responded publicly to the Spitzer settlement? Merrill CEO Stan O'Neal managed to obtain space for an op ed piece in the *Wall Street Journal*, criticizing the deal. He writes, "To teach investors ... that if they lose money in the market they're automatically entitled to be compensated ... does both them and the economy a disservice." (Along with the shilling and other sliminess, his firm hired Henry Blodget, whose Internet recommendations were so bad—and so biased for banking business—that he was fined US$4 million and banned from the business for life.)

Morgan Stanley CEO Philip J. Purcell brushed away the deal entirely, saying, "I don't see anything in the settlement that will concern the retail investor about Morgan Stanley." Publicly infuriated that these CEOs chose to treat the settlement as a mere political nuisance, Securities and Exchange Commission chairman William Donaldson reminded them that they had signed the settlement, which included a provision that they not disavow it.

How should a bruised investor feel?

The argument that retail investors were foolish and greedy and that the Street should not be blamed is a half-truth. Yes, people who bought technology stocks at astronomical valuations were carried away by greed, but most of them got that way because shills and mountebanks working for leading firms enticed them into believing in a New Economy that would virtually guarantee endless riches. As to the penalties imposed, the investors have already paid their penalties—and they can be measured in the trillions. Wall Street's wailing about financial penalties after a consent decree which includes civil fraud almost seems to try to make the case that prostitutes have long argued, it's unfair to punish us when the law doesn't punish our customers.

Few of the sins on the Spitzerlist astonished me, because I spent much of last year researching a book about Wall Street's misbehaviour. But even I am surprised that these prominent American financiers treat this settlement so casually. Perhaps their public statements are mere legalese, drafted by their lawyers, fearing the flood of lawsuits to come. To sound contrite would be evidence at trial that clients' losses really did originate in their brokers' misdeeds, not in the clients' own greed.

Spitzer is being criticized in some quarters for being too lenient. The fine works out to less than $90 million a firm—an amount they can recover in a good week's trading. What has he really accomplished (other than reams of publicity to back his forthcoming campaign for governor)? The answer may be the same as the answer in the old joke. What do you call dropping a sack filled with 1,000 lawyers to the bottom of the sea? A good start. M

Donald Coxe is chairman of Harris Investment Management in Chicago and of Toronto-based Jones Heward Investments. dcoxe@macleans.ca

ADVERTISING SUPPLEMENT

Helping Build a Better Canada
THROUGH STAKEHOLDER ENGAGEMENT



The Conference Board of Canada
Insights You Can Count On

ADVERTISING SUPPLEMENT



A Conversation With Anne Golden
Corporate Social Responsibility: Moving Forward

Anne Golden, president and CEO of The Conference Board of Canada, shares her thoughts on the state of Corporate Social Responsibility (CSR) in Canada and around the world today. As well, she details some of the Conference Board's most recent initiatives to encourage, celebrate and strengthen the practice of CSR.

Why did The Conference Board of Canada bring CSR and corporate governance together within one department?

A.G. Uniting governance and CSR in one department enables us to bring together the complementary skills, interests and knowledge bases of our people who have been working seperately in the two areas. At the same time, there is a growing recognition among our customers that governance and CSR are both about managing the corporation's relationships with all its stakeholders. Governance must move beyond accountability to shereholders to embrace a full renge of stakeholders, including workers, suppliers and the community. Joining CSR end governance reinforces the point that CSR is not simply e moral issue but elso e business issue.

What are the major trends in Canada end around the world in CSR?

A.G. We are seeing a lot of activity around CSR reporting, reflecting the growing pressure on corporations to provide more information to stakeholders about the social and environmentel impacts of their operetions. The European Parliament has passed a resolution calling for voluntary reporting on social and environmental performance. The U.K. and Australia have amended pension laws and now require trustees to disclose social end environmental considerations. Meanwhile, the United States has passed the Sarbanes-Oxley legislation that requires CEOs to sign off on the accurecy of statements in corporate annual reports, including statements about social and environmental business practices. In Canada, the Canada Pension Plan Investment Board released Proxy Voting Principles end Guidelines requiring it to support shareholder proposals that request disclosure of information on ethical issues. These are but a few recent examples of domestic and global initiatives.

What are the main drivers of CSR today?

A.G. There are at least four drivers that are firmly establishing CSR as a core business concern. First, high-profile public issues, from Kyoto to corporate scandals, are bringing home to corporate executives the message that stakeholder groups are closely end constantly watching their behaviour. Second, we are seeing dissemination of information about corporate activity that is unprecedented in terms of its rapidity and scope. Third, stakeholders (including shareholders) are becoming more sophisticated and putting added pressure on corporations to align their behavior with stakeholder interests. Fourth, constraints on public-sector budgets create growing (and in some cases unreasonable) demends on private corporetions to support social outcomes.

What's new within the Conference Board in relation to CSR?

A.G. Among other things, we have launched work on an Annual National Report on CSR. The first of its kind in Canada, the report will allow corporations to assess their own CSR performance against trends and best practices in Cenade and around the world. In partnership with the Canadian Centre for Philanthropy's Imagine program,we have developed a CSR Assessment Tool that enables companies to do a comprehensive internal evaluation of CSR systems and practices. A Web-based version of the tool is to be launched later this month.

We heve also announced our intention, in partnership with the Michael G. DeGroote School of Business at McMaster University, to launch a major professional development program for corporate directors – The Directors College – in the fall of 2003. The curriculum will include the role of directors in relation to CSR.

CSR: A Source of Innovation

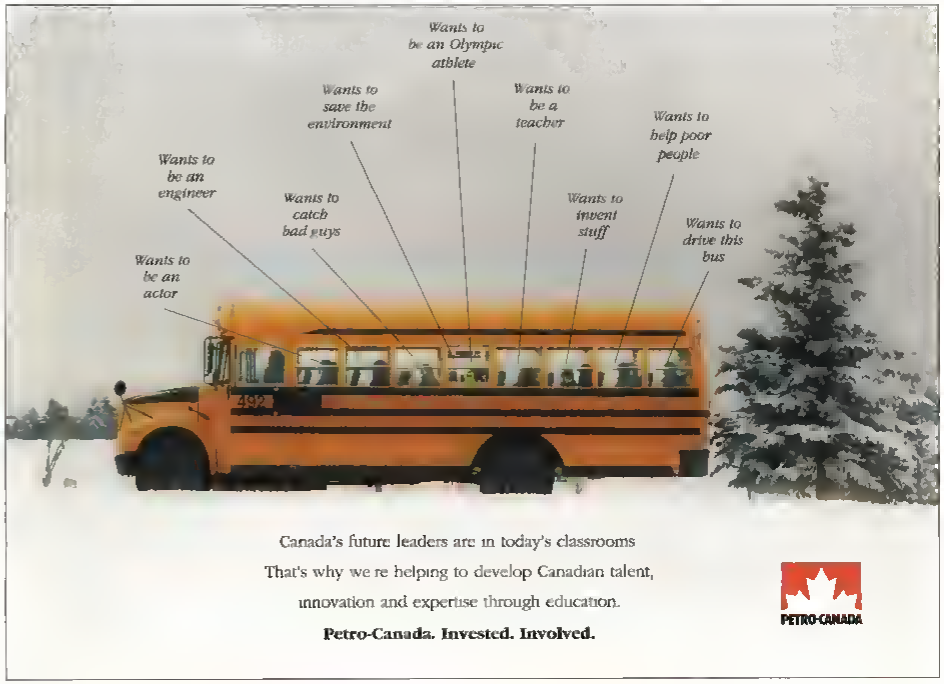
"The most enlightened companies see Corporate Social Responsibility (CSR) as a powerful means of driving societal and organizational learning end innovation," says David Greenall, senior research associate with The Conference Board of Canada. "By engaging with stekeholders in e meaningful way, corporations build capacity in their communities. They also open themselves to insights thet can be the source of new ideas, innovative products and services and strategic decision-making processes."

Encouraging innovation is a priority for Dupont Canada. "At Dupont, we have created a culture that develops end enables the processes that support innovation in our businesses," says Colleen Bryden, manager, Social Innovation Enterprise. "By applying this competency in the social arena we believe that we can make a unique contribution to society. Our aim is to advance productivity and innovation in the social sector that will benefit Canadian society." To realize that goal, Dupont established its Social Innovation Enterprise in 2000 as the strategic focus of its community investing program.

As part of that initiative, the company recently contributed $2 million in cash and scientific expertise to the



Ontario Science Centre students demonstrate a built water pump. Looking on are Galen Weston of the W. Garfield Weston Foundation, Ontario Minister of Culture David Tsubouchi and Ron Zelonka of DuPont Canada.



Ontario Science Centre's Agents of Change. The multi-year project will revitalize 25 per cent of the Centre's public spaces and will focus on interactive experiences meant to inspire innovation, particularly among young people.

Dupont is also partnering with McGill University's Faculty of Management on the McGill-Dupont Initiative on Social Innovation. "Our goal is to develop a system of tools and methodologies that can be used to drive innovation," says Bryden. "It's a project we believe will be of great use to the social sector. As well, it will provide a new means for driving innovation within our own corporation."

Corporate Aboriginal Relations: A Strong Case

"The venture has created up to 25 new jobs. That's an important achievement for our community where unemployment hovers around 50 per cent." The "venture" that Leonard Okemow, a band councillor at Bigstone Cree Nation, 125 km north of Slave Lake, Alta., refers to is Bigstone Forestry Inc. Founded three years ago, the logging company was created by a partnership between the Bigstone Cree and Alberta-Pacific Forest Industries Inc. As well as financial support, Alberta-Pacific provided the start-up company with managerial expertise and an initial contract to supply 180,000 cubic metres of wood fibre annually. "We have built on the opportunity," says Okemow. "We have expanded our business and are currently exploring the possibilities of building a pulp mill on our land."

The success pleases Bill Hunter, president of Alberta-Pacific, which is a leader in promoting Aboriginal economic development. "There are moral and ethical reasons why business should support our Aboriginal communities," says Hunter. "There is also a strong business case. The reality is that Canadian business – indeed all Canadians – stand to benefit from the creation of strong and economically viable Aboriginal communities."



Employees of Bigstone Forestry Inc. discuss the operation of the delimber.

This truth lies behind the Conference Board's commitment to promoting linkages between Canada's corporations and Aboriginal peoples. Through its research and networks, the Board has helped provide companies with the business case for engaging Aboriginal people as partners, suppliers, employees and customers.

"The business case keeps getting stronger," says Stelios Loizides, senior research associate at the Conference Board. "According to the 2001 Census, children aged 14 and under represent one-third of the Aboriginal population in Canada, far higher than the corresponding 19 per cent share in the non-Aboriginal population. As these children move through the education system and into the labour market, they will account for an increasingly large part of the working-age population. Smart businesses realize they need to actively ensure that these young people have the education and training to take advantage of the jobs and opportunities that will increasingly be open to them."

> "Canadian business-indeed all Canadians-stand to benefit from the creation of strong Aboriginal communities."

One such business is Sasktel. Currently, the telecommunication company has a variety of initiatives targeted toward Aboriginals through both its customer service and human resources policies and practices. These range from scholarships to Aboriginal students to job shadowing and mentoring. "We are extremely mindful of the changing demographics," says Vanda Conway, manager of strategic planning and staffing at Sasktel. "By 2008, three out of 10 schoolchildren in Saskatchewan will be Aboriginal. And by 2018, 22 per cent of new entrants to the provincial labour force will be Aboriginal. It's simply good business sense to begin preparing for that future by reaching out to our Aboriginal individuals and communities today."

CSR and Value Creation: Doing Well By Doing Good

"Sustainability makes good business sense. Doing the right thing makes us a better company, makes us a more attractive investment opportunity, a more attractive employer and a more attractive business partner."

This was Alcan Inc. president and CEO Travis Engen's message at Linking Sustainable Development and Shareholder Value, an executive seminar hosted by the Conference Board last December in Toronto.

Also on hand to reinforce the linkage between sustainable development and shareholder value was Brian Schofield, vice-president and portfolio manager at Jones Heward Investment Counsel Inc. Said Schofield: "There is a growing body of evidence that consideration of social and environmental factors can, in many cases, enhance investment returns." To illustrate his point, the fund manager noted that the Dow Jones Sustainability Group Index, which tracks 300 leading Sustainable Development (SD) companies in 64 industry groups in 33 countries, outperformed the Dow Jones World Total return by 33.3 per cent between 1993 and 2001.

"The seminar helped communicate the role of corporate sustainable development and CSR practices in value creation and the importance of considering them in investment decision-making. It also represented a significant step forward in deepening the engagement of the investment community on this issue," says Ron Yachnin, senior research associate at the Board.



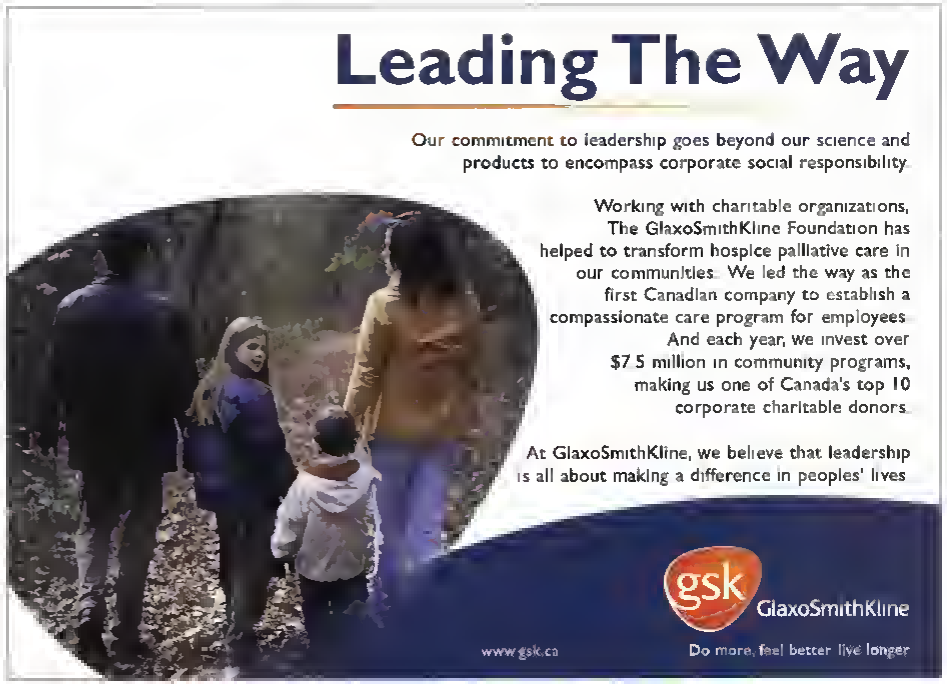
Paper Recycling, Alcan's Micro-Business Network program operates in schools worldwide.

"It confirmed the important need to complete our current project on Translating SD/CSR into Financial Valuation and provide a tool for companies and investors that will help them to better understand and communicate with each other about the additive value of SD/CSR. It also confirmed that we are on the right track with other projects to gain a better understanding of the investment community's views on SD/CSR."

Corporate Governance: A Matter of Trust

"Our research shows that there has been a breakdown in trust between members of the public and corporations," says David Brown, principal research associate at the Conference Board. According to Brown, that unease is the direct result of the recent scandals that have occurred at North American corporations such as Enron and WorldCom.

Brown notes that the malfeasance and corruption have had some unexpected positive results. "Many governments and organizations have acted quickly to develop and implement rules and regulations that punish wrongdoers and ensure more effective and transparent corporate governance," he says.

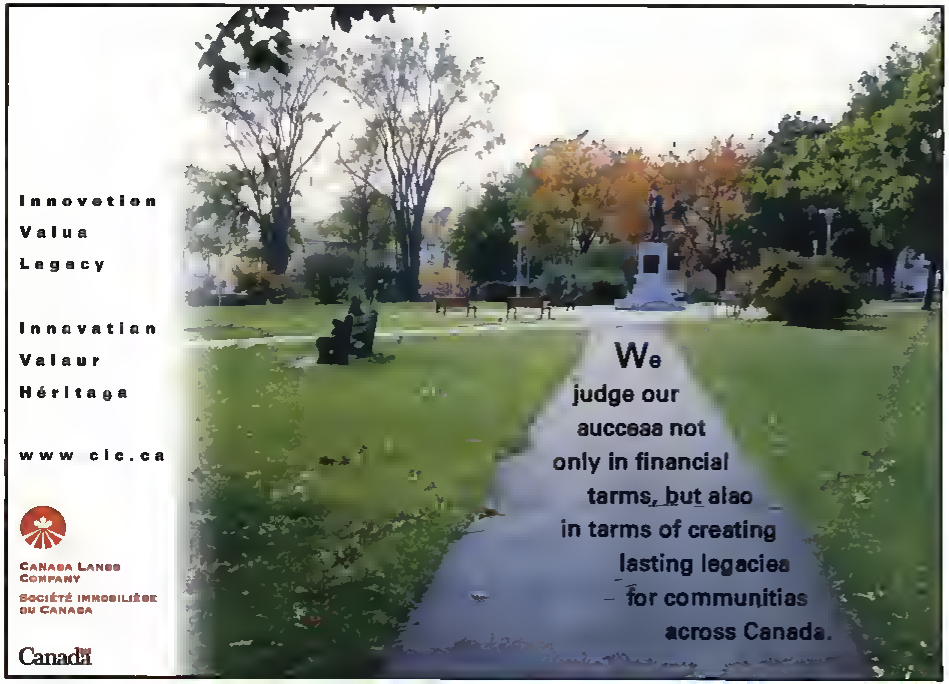


Certainly there has been considerable activity in Canada, where some provinces have acted to improve securities' laws. Meanwhile, self-regulatory organizations, including the Investment Dealers Association of Canada, the Mutual Fund Dealers Association of Canada and the Chartered Accountants of Canada, have introduced new regulations designed to provide greater protection to consumers and restore confidence in the capital markets.

Canada's largest institutional investors are also taking a leadership role in promoting effective corporate governance. Last year, the managers of more than a dozen pension and mutual funds formed the Canadian Coalition for Good Governance (CCGG). The CCGG intends to monitor the composition and performance of boards of directors, share information on candidates to recommend to nominating committees, and insist that key board committees have a majority of independent outside directors. Says Claude Lamoureux, president and CEO of the Ontario Teachers' Pension Plan and a CCGG founder: "As large investors, we have the resources to press for good governance and smaller investors should benefit from our efforts." Adds fellow Coalition member Dale Richmond, president and CEO of the Ontario Municipal Employees Retirement System: "The reason institutional investors are coming together to promote good corporate governance practices is simple: corporate governance leads to good investment returns."

"The reason institutional investors are coming together to promote good corporate governance practices is simple: corporate governance leads to good investment returns."

The Conference Board is also committed to promoting good corporate governance. It is launching The Director's College together with the DeGroote School of Business at McMaster University. The Conference Board also publishes research reports on corporate governance models, benchmarking, evaluation and principles, and hosts periodic governance forums and the annual Conference Board of Canada/Spencer Stuart National Awards in Governance. "Restoring trust in our companies and capital markets is crucial to Canada's economic well-being," says David Brown.



Community Involvement: The Power of Partnerships

"CN has committed $300,000 to the Safe Communities Foundation over the past three years and recently committed an additional $300,000," says Gail Dever, CN's director of external communication. But money is only one aspect of the company's involvement with Safe Communities, which, like the corporation, is deeply committed to promoting healthy and safe job sites. Indeed, along with financial support, the continental railway provides the national charity with human expertise. "One of our executives is a member of Safe Communities' board of directors," adds Dever. "And our CN police officers are involved with the organization in local communities across the country."

"By working in partnership with charitable organizations we help make each other and our communities stronger."

According to Conference Board research associate Janice Dixon, Canadian companies are increasingly forming synergistic partnerships with charitable organizations. Says Dixon, "A recent research study conducted by The Conference Board with the Canadian Centre for Philanthropy and the Public Policy Forum showed that more companies are going beyond chequebook philanthropy and entering into relationships with non-profit groups. (These relationships) are based on common interest as well as clear expectations and accountability and they provide opportunities for employees to become involved as volunteers."

Ensuring that its corporate responsibility efforts are lasting and meaningful is a top priority for Calgary-based EnCana Corp. In Ecuador, where it has significant exploration and development interests, the resource company targets its dollars towards community capacity building. "Our primary goal is to help indigenous people help themselves," says Dick Wilson, vice-president of public affairs. With that in mind, EnCana supports a variety of economic development and education projects, both directly and through local charitable organizations. For example, it funds a program that teaches integrated farming techniques to local families; it also provides funding for school fees and school buses to ensure that Ecuadorian children living in remote locations can attend school.

Viewing CSR as a partnership is also the approach adopted by Cambridge, Ont.-based Sun Life Financial. In 2001, the company created a number of advisory panels to help guide its charitable funding decisions. "We believe that stewardship of our charitable contributions is part of social responsibility," says Judith Chopra, director of community relations and citizenship at Sun Life. To further its efforts, Sun Life funded an evaluation project at the Canadian Centre for Studies of Children at Risk at McMaster University in Hamilton, Ont. to report on the effectiveness of its contributions. "We use the feedback in many ways," says Chopra. "One of the most important is to promote dialogue and help us help organizations become more effective."

To illustrate the effectiveness of this approach, Chopra cites the Centre's report on a company-funded community group in southwestern Ontario that assists single mothers on welfare. "The organization was having trouble reaching its target audience because poor single parents tend to live in isolation. To address the problem, we asked the marketing department for suggestions to help the organization come up with an effective communications plan directed at single mothers. It's our belief that by working in partnership with charitable organizations, we help make each other – and ultimately our communities – stronger."



Every year, CN police officers like Pierre Bourgeron of Boucherville, Que. speak to more than 30,000 students in communities across Canada about safety around railway property.

The Conference Board of Canada
Insights You Can Count On

Corporate Social Responsibility: Creating Value for Business and Society



The Conference Board of Canada helps you and your company stay ahead of the curve on key issues like corporate social responsibility to maximize business results and build a better Canada.

Discover our insights on economic trends, public policy, and organizational performance through our:

- Research reports
- Peer networking meetings
- Conferences and leadership development programs

For more information on the products and services offered by The Conference Board of Canada, call 1-866-711-2262 or visit our Web site.

Lead Sponsors of CSR Week May 12–16, 2003

ALCAN Hydro Québec PLACER DOME INC. SUNCOR ENERGY TELUS

www.conferenceboard.ca



DENYING A 91-YEAR-OLD

Ottawa simply says 'No' when asked to make some retroactive CPP payments

THE FEDERAL FORM arrived in October, 1999—more than 13 years after James Conn died. To his widow Isabel's consternation, it explained that he was eligible for a small monthly payment from the Canada Pension Plan because he had contributed for three years in the late 1960s. She toddled off to her Vancouver area seniors' centre to ask what on earth Ottawa was talking about. She did not realize her husband had contributed to the plan after its inception in 1966. But she knew for sure he had never received a penny before his death in 1986. It turned out she had been eligible for CPP survivor benefits since that date.

But Ottawa has a rule: it will only go back 11 months when it makes retroactive CPP payments. So Conn's chauffeur husband missed his tiny pension from 1970 until his death—and she lost survivor benefits from 1986 until that out-of-the-blue notice. Conn now collects about $100 a month from her husband's CPP. "But when you are living on reduced income, that is a lot of money," she says. She would use any retroactive payments to enter a retirement home or foster her great-great-nephews' education. "The government wrote him a letter after he had been dead for 15 years to see why he had not collected his pension," adds an exasperated Conn, now 91. "If they were smart enough to write after 15 years, they should be able to go back 17 years and pay me what I am entitled. Government does stupid things."

Actually, there was method in Ottawa's apparent madness when it designed its retroactivity rules in the mid-1960s: it did not want crafty seniors to pocket federal payments like the Guaranteed Income Supplement (GIS) for the low-income elderly—and then turn around, years later, and apply for their CPP plus interest in a tidy lump sum. After all, those seniors might not have been eligible for low-income programs if they had been collecting their CPP. So, to close the door to possible abuse and to relieve strain on the program itself, Ottawa selected an across-the-board method that was most convenient for its bureaucracy. That was then. Today, there is certainly a better way in this computerized age to handle seniors like Conn who have lost thousands of dollars in back payments, simply because they did not know they were eligible.

It has become a fascinating, if occasionally heated, behind-the-scenes policy debate. Ottawa says "No." Resolutely. It only pays more than 11 retroactive monthly payments when it makes an administrative error. And it warns that any changes to that rule would likely require new legislation—plus the consent of its nine provincial partners in the plan. (Quebec has its own pension plan.) The cost, it adds, could also increase every working person's premiums.

An unlikely crusader named Richard Shillington says "Yes." And he has dedicated a good chunk of his day, without pay, for more than two years to changing the rule. An Ottawa-area social policy consultant and statistician, Shillington, 53, first noticed that many seniors were not collecting their pensions in late 2000. At the time, for eight weeks, he was working with needy people at a Toronto community group. Back in Ottawa, still bothered by those retroactivity rules, he peppered the human resources department with freedom of information requests on delayed payments to the elderly.

'THERE IS NOT yet the political will to fix this,' says consultant Richard Shillington, 'even though it is the right thing to do'

So far, he has learned that, by May 1999, there were 20,924 Canadians who applied after the age of 70 for their CPP. (Recipients can opt to apply as early as 60 and as late as 70—but the monthly amounts are higher if the applicants are older.) Roughly 75 per cent of the late applicants were women—and half lived in Ontario. By that same date, there were more than 14,000 late applicants for survivor benefits. The retroactivity rule applies to all federal old-age payments. But CPP is a program that is not funded out of taxpayers' pockets. In 1998, contributions were increased to cover current and future obligations such as the baby boomers' retirement. The program is now sound. "This is their own money," argues Shillington. "The amount of the pension is based on their own contributions. But there is not yet the political will to fix this—even though it is the right thing to do."

Shillington is determined. He is collecting individual's stories—and he has found a lawyer prepared to go to court on their behalf. Graham Webb, from Toronto's Advocacy Centre for the Elderly, will likely base his case on claims that Ottawa has breached its duty of trust to those contributors—and that its rules are unfair and arbitrary. "This is something that is overdue," Webb says.

So how should Ottawa respond? In 1999, it tried to find eligible people who have not applied. It sent reminders to 56,000 elderly; 12,000 applied as a result. But that does not deal with retroactivity. At the very least, Ottawa could issue back payments—minus interest—which would be taxable in the year it is paid. Or, although this would be tricky, it could deduct its past payments under other programs from the retroactive cheque. It could, for example, deduct previous GIS payments from any CPP retroactive cheque. True, this is complicated. GIS is not taxable—and CPP is taxable. "But that does not let them off the hook for paying what they owe," says Shillington firmly.

In the meantime, Saul Mansour of New Glasgow, N.S., can only wait. He was badly injured—and his wife Eileen died—in a 1978 car accident. Reeling with grief, struggling to raise three young children, he did not find out about survivor benefits until he applied for his old-age pension in 1996. When he appealed the retroactivity ruling, the tribunal decided against him, arguing, according to Mansour, that the funeral director should have told him. Now 72, he would give the money to the Salvation Army. "I am back on my feet now, but I sure could have used it then," Mansour says. "The experience with CPP was horrible. It was larceny." And it should be remedied.

Mary Janigan's column appears every other issue. mjanigan@macleans.ca

'WE NEED THE CBC'S VOICE'

The broadcaster's chair seeks niche markets, not gross audience numbers

CAROLE TAYLOR knows broadcasting. She began her career in 1964 as a 18-year-old hosting *After Four*, a show for teenagers at CFTO in Toronto. She would spend the next 20 years in the business, including stints at CTV's *Canada AM* and *W5*. After moving to Vancouver in 1975, she married the city's mayor, Art Phillips, and in 1986 entered politics. Elected to Vancouver city council, she served for four years, in that time turning down several invitations to run for the federal Liberals. She kept her hand in broadcasting as a freelancer while turning her attention to a number of charities she was involved with. In May 2001, she was appointed chair of the CBC's board of directors. The corporation faces daunting problems, not the least of which is finding a way to maintain a presence in a 500-channel universe. Taylor discussed the challenges confronting the CBC with *Maclean's* editors.

What was your incentive for taking this job in the first place?

I'm an outsider. I come from the West and I understand the alienation that is felt. And I don't think public broadcasting will survive in Canada unless we get back out into the communities. So the job that I saw was first really about relations. Repairing relationships between the CBC board and senior management and repairing relationships between the CBC and the community as well as with people in government. There's an opportunity here to not only turn the ship around but really get it going full speed.

Critics note that the CBC's funding is extremely high compared to its market share.

We need the CBC's independence, we need its voice, we need its support of culture. I don't know that there's ever been a time in history when that has been so important. When the CBC started, it was important just to get the service out there, across the country. But now it's got this sense of independence and support for culture, which you can't do on a commercial basis. The CBC is tied up completely with how strongly we feel about Canada. After Sept. 11, and now the war in Iraq, I have a real clarity about the issues facing us and whether we want to continue, as a nation, to be strong and independent. If we do, then let's identify those institutions that support the idea of being Canadian. Are we going to say we've got a culture, and if so, how are we going to support it?

You've worked in private and public broadcasting. What strikes you as the fundamental difference?

Private broadcasters must make a profit. But because of the grace of the Canadian taxpayers, we do productions at the CBC that are not economic because Canadians feel it's important culturally. In Canada it costs at least $1 million to produce a show. But you can buy an excellent American one for $100,000, so you put that together with advertising and you're making money. If you want to have Canadian productions, they have to be subsidized.

Are you disillusioned by the lack of support Canadians show for indigenous content?

I don't look at it as straight ratings. We did the Royal Winnipeg Ballet's *Dracula* last year and the audience numbers were maybe 200,000. So some people would say that's terrible, but I see it as a huge success because, for one thing, we won an Emmy, and second, people who love ballet had a chance to see it. It also helped keep the Winnipeg Ballet alive for another year. Every cultural organization in this country is on the edge and CBC is part of that support.

It appears CBC Radio made a mistake when it jettisoned older listeners by adopting a new format to attract younger ones.

CBC Radio is looking at changing, but it was never trying to go down to the youth audience. That was never a discussion that I was in on. And I disagree with your characterization. I think the *Current* is a great new show and this idea of change is one that is going to become constant at the CBC. People retire. Arthur Black retires, it's sad. And someone like Peter Gzowski, because of health, can't continue, so there will always be reasons to re-look at programs and try to do them better.

We have to get used to being creative, taking risks and changing. So we asked, can we be more relevant? Are we on top of the big debates of the day? Are the debates being discussed in the community also being discussed on the radio? Is the format working? Are we taking into account the importance of the regions? Of course we realize our demographics are significantly older than they used to be. But to say that you want someone younger than your demographic listening to you doesn't mean you're going down to the youth segment.

Some people argue the CBC should be funded along the lines of the Public Broadcasting System in the U.S.

We've looked at PBS because we'd all like to do this better. We all see the visible appeals for money on air at PBS but that's a small part of its budget. The last set of numbers I saw was around $400 million a year from their public appeals. Well, if you take a tenth of that, which is sort of Canada's size, you're only talking about $40 or $50 million, and that would mean nothing to the CBC budget of $1.3 billion. So the model doesn't work for us in terms of financing. And in terms of broadcasting, it's tricky because PBS is very decentralized.

How important are ratings at the CBC when production decisions are made?

I believe we've got to get away from these gross audience numbers and I'm prepared to make the case for niche broadcasting. For instance, the ballet. I would be willing to stand before Parliament and explain why that is important, whatever the numbers. We should look at niche markets rather than the gross numbers.



PHOTOGRAPH BY PETER BREGG/MACLEAN'S

In the future, will the CBC be based on one main network or a series of specialty networks?

The model is changing and we have to be flexible enough to see where that's leading and go with it. The CBC board has to stay out of specific programming decisions, but I think we can set general directions, one being the regional emphasis. I would like to set another being international. Not only should we get our culture and our production and our ideas out there, but we should also have Canadian eyes reporting on world events. I never felt that more strongly than after Sept. 11. What did it mean for our immigration policies, our borders, our security, our values? We've got a role to play out there but we have to figure out how we can do it in a financially responsible way.

How does a national public broadcaster reflect a country that in itself is so diverse, geographically and ethnically?

It's difficult when you've been through cutbacks and hiring freezes for a long time—when you should have been bringing more of those individuals into the system. We are doing it now to the extent we can, with not just our on-air people but our decision makers behind the scenes. If you walk through our offices we have to look the same as the community, and we have to look the same as the community on-air. Our stories have to be ones that people relate to.

A lot of people at the CBC complain that it's too bureaucratic, with many services needlessly duplicated.

You have to have leadership that says the goal is to be more flexible, to be more creative and to take more risks. Part of it will come from our initiatives on integration. In the past we've had silos that are completely separate: English radio, French radio, English television, French television. We want to start working closer together so we can support each other. A concert done on English radio can just as easily be a concert on French radio. And perhaps a camera on English television can be used on French television. I think it's changing, but it does take time to get people to buy into the dream.

SAM'S FIRE

Montrealer Sam Roberts is poised to be Canadian rock's Next Big Thing, writes SHANDA DEZIEL

SAM ROBERTS walks into the green room at Vancouver's Stanley Theatre with three bottles of beer in his hands. His girlfriend grabs one, and then his record producer and a thirsty comedian, leaving Roberts empty-handed. "That's OK," he says, "my stomach's feeling a bit off anyway." Must be nerves—he's the opening act at the evening's David Suzuki environmental awareness variety show, and he's performing acoustically for the very first time. "No," counters the native Montrealer, "I ate a chili omelette earlier today and can't seem to digest it." That other stuff doesn't seem to bother him at all. Neither does the fact that down the hall, in a room of her own, headliner Nelly Furtado is holding court with a slew of TV cameras while Roberts and his guests are packed into one room with the other entertainers on the bill and then-mayor-elect Larry Campbell. Roberts just sees it as an opportunity to get the scoop on the city's Olympic bid.

This December night, Roberts plays to a crowd who have no clue who he is. The audience isn't even familiar with *Brother Down*, his first single and for many *the* song of summer 2002. Yet it doesn't take much to win everyone over. "Well, all my songs are about chicks and booze," he tells the 500 people, apologizing for his lack of environmentally themed material, "so I thought I'd try a cover." He then bursts into an energetic version of Paul Simon's not-at-all-environmental *Me and Julio Down by the Schoolyard*, nailing that long whistling part with impressive accuracy. Shaking his mop-top like a latter-day Beatle, and encouraging singalongs, Roberts makes a very good first impression.

As he retreats backstage to chow down on bite-sized brownies and pull back on a few beers, Furtado takes the stage. She bumbles through her performance, telling rambling, nonsensical stories, and while her voice holds up, she fails to engage the audience. People may have come to see Furtado, but they leave talking about Roberts.

Since then, buzz about Roberts has intensified—to the point where many see him as The Next Big Thing in Canadian music. The jeans-and-T-shirt rocker, who has the energy, charisma and dark curly hair (with beard) of a young Bruce Springsteen, seems to have the requisite fire. Two songs from his debut album, the six-track EP *The Inhuman Condition*, have made the Top 10 on radio and MuchMusic. The 28-year-old drew mostly sellout crowds touring Canada last winter. And, earlier this year, he garnered Juno nominations for best new artist and best single (losing to pop sensation Avril Lavigne).

Much is hanging on the June 3 release (June 17 in the U.S.) of his first full-length album, *We Were Born in a Flame*. His record company, the American branch of Universal, is hoping for a global reception not unlike the one Furtado got two years ago. "We have a saying," says Avery Lipman, the New York executive who signed Roberts, "if you're from Canada you're either going to become one of the world's biggest acts or you won't be able to get arrested. There's no middle ground—either you're Celine, Alanis, Sarah, Avril or Nelly, or you're the Tea Party, Matthew Good, Sloan, the Tragically Hip."

Roberts's gender and style of music place him squarely in the latter category—he even opened for the Tragically Hip on their last



Much is hanging on next month's release of the first full-length album from the artist, who has the requisite energy, sex appeal and passion for pop stardom

PHOTOGRAPH BY MACKENZIE STROH

New from CHATELAINE RECIPES

Easy Grilling

Triple-tested, no-fuss barbecue recipes for quick and delicious meals.

Gear up for backyard grilling – a quick and easy way to whip up delicious family meals – with this month's issue, Easy Grilling.

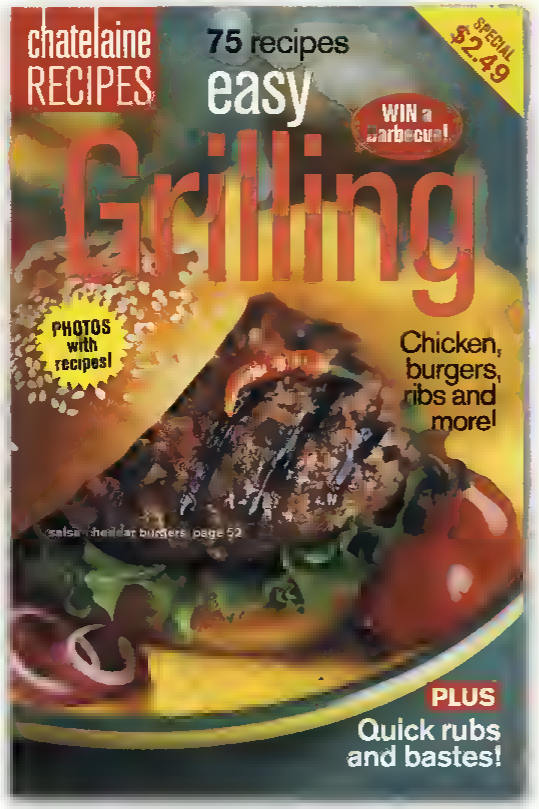
75+ recipes including:

- Grilled South Seas chicken and traditional barbecued chicken
- Classic ribs, succulent steaks and flavourful pork chops
- Chicken burgers, beef burgers and lamb burgers
- Kid-friendly fajitas, easy grilled veggies and delicate fish steaks

WIN a Barbecue!

Imagine owning a brand new Weber® barbeque. Simply fill out the contest entry form inside this issue.

If you can't find a copy in your favourite store, we'll be happy to send you one. To purchase online go to www.chatelaine/easygrilling. By phone, dial 1/866/301 4414 (in Toronto 416/596-3492). Or write to us, enclosing payment: Chatelaine Recipes Easy Grilling P.O. Box 861 Stn. Main Markham ON L3P 8H9



One little magazine. Lots of quick and easy ideas.

Pick up Easy Grilling in stores NOW!

ROGERS

tour. But his star quality and dynamism on stage are definitely of the former. "Sure, the females have been the biggest Canadian acts," says Lipman, "but Sam will be the biggest male artist in the world. He's going to buck the trend." In fact, when it comes to Canadian males in the U.S. market, times are a-changin'. With Vancouver's Nickelback and Ajax, Ont.'s Sum 41 ruling the charts alongside Avril, it seems our boys have broken the gender jinx.

Roberts's music is an eclectic but cohesive mix of guitar driven, straight-ahead rock 'n' roll, keyboard-infused, drug-inspired psychedelic space jams, and soulful pop ditties—all infused with real passion. In his songs he emerges as the ultimate sex symbol, both a guy's guy and a sensitive soul. In person, he's a hockey-obsessed, dope-smoking dude, but he also opens doors for the opposite sex and refuses to let a woman, even one with an expense account, pay. It won't be too long before perpetual rock groupie Winona Ryder sets her sights on him. Roberts, however, is more of a Gwyneth Paltrow man—"I just think she's someone you could talk to," he says, "but she's too tall for me." Plus, the budding celeb is pretty devoted to Jen Stornello, his girlfriend of 11 years.

THE DAY AFTER the Suzuki show and some late-night partying, Roberts drags himself into Vancouver's Mushroom Studios, where he's recording the new album. The focus is still on his stomach. Despite the previous day's undigested chili omelette, Roberts put back a Philly cheesesteak in the early morning hours—and it sits like a rock in his gut. Getting down to work is not going to be easy—and he may not even be able to play hockey later tonight. (During his stay in Vancouver, Roberts joined both a musicians' and a stockbrokers' league.) The day starts at noon with a joint and some consultation with producer Brenndan McGuire, best known for his work with Sloan. As McGuire turns to the computer, Roberts turns his thoughts to lunch. Cheesesteak be damned, he's up for ordering Chinese and settles in to watch music videos, getting up to leave only when his own comes on.

In no hurry to get to the recording, Roberts reflects on what can only be described as his Cinderella story. In the spring of 2000, he travelled to Pembroke, Ont., from Montreal for a few weekends in a row and recorded a collection of demos at the home studio of his friend Jordon Zadorozny, front man for alt-rock band Blinker the Star and sometime Courtney Love songwriting collaborator. Roberts played *The Inhuman Condition* for a few major labels, but they paid him no mind. Brand new Toronto indie label Maple-Music Recordings, however, thought it was special. Maple picked up the EP, which was never meant to be released. Then Universal Records, which does Maple's promotion, pushed *Brother Down* to radio stations. The song scored an unbelievable amount of play on major stations across the country during its first week. It wasn't a fluke. The next single, *Don't Walk Away Eileen*, made its way up the charts as well, and the third song from the EP, *Where Have All the Good People Gone?*, recently delivered to radio, seems to have the same potential.

Of course, the majors came to their senses. "We first took notice when tracking the progress of our own bands in Canada," says Lipman. "And I'm seeing this guy Sam Roberts kicking the dirt out of all our guys. Around the same time our Canadian counterpart sent us the record. We got on a plane literally the next day." Lipman and his brother watched the band play an outdoor show at the Vancouver Grand Prix that Roberts calls "horrible." But the execs were sold. "I'm not a hockey fan," says Lipman, "but in Vancouver, Sam was wearing his Canadiens shirt onstage, and there was a lot of fans of the Vancouver team. I admired Sam's rourage taking on the opposing side, head on."



Corey Zadorozny, Nugent, Roberts, Hall, Fares—Sam's very much part of a band

Lipman also liked the fact that he could take an already tested single, *Brother Down*, and introduce it to a whole new audience in the U.S. and beyond. Lipman proudly recalls. "We said, 'We're not leaving town until we have a deal.'" Roberts signed with Universal to make a full-length album—which includes all three singles from the EP—for an amount he's not about to disclose. "It's way more money than I ever thought anybody would ever pay me to make music," he says. "Originally what I thought I wanted to get was $15,000 Canadian, that's what I was shooting for until last summer. Then I bumped it up to $30,000. I would have been very happy with $30,000—and we kicked $30,000's ass."

Lipman laughs at Roberts's low expectations. "We had this nice little record-signing ceremony," he says, "with Sam, the band, his family and close friends and about a dozen executives from New York and Toronto. Our head attorney is a big hockey guy and had managed to get a signed photograph of Luc Robitaille. We presented it to Sam, and I swear he was more excited about the photo than doing the contract."

When it came time to make the album, Universal offered to send Roberts to a studio in the tropical locale of his choice, with any of today's hottest producers. Roberts, in keeping with his nature, went low-key. The day I visit the Vancouver studio he's decided not to work on the album at all, nor does he plan on singing. Instead, he and McGuire lay guitar and percussion tracks for a cover of Paul Simon's 1980 song *Late in the Evening*, to be used on a between-

COURTESY OF PAUL ALEXANDER/UNIVERSAL MUSIC



album EP or a CD single. For a guy who commands the stage, he's a bit self-conscious in the studio. And not only with journalists. He's rigged up a barrier of blankets in the recording area so his producer and Mushroom staff can't see him sing. Then there's his fear of the Record button—McGuire has learned to secretly start rolling long before Roberts says he's ready. At other times, Roberts gets lonely—and has taken to dragging his guitar into the tiny control room just to have some human contact as he lays down tracks. It's at these times he misses his band the most.

Roberts may be marketed as a solo act, but he's most definitely part of a band, consisting of Dave Nugent (guitar), Eric Fares (guitar/keyboard), James Hall (bass) and Corey Zadorozny, brother of Jordon (drums)—all old friends and veterans of Roberts's earlier groups. And yet he's decided to go it alone in the studio, playing guitar, piano, bass and violin himself. (The drums are provided by Roberts's long-time friend and former bandmate George Donoso, now with Montreal indie darlings the Dears.)

'Sam will be the biggest male artist in the world—he's going to buck the trend'

But he's invited the guys out for a week toward the end of the process. "I'm just glad they get to come here and put their two cents in. I don't think they're particularly into doing bed tracks anyway—playing the same guitar line 30 times. They get to come in and do guitar solos and shit like that. That's what everyone remembers anyway." The guys in the band back him up, swearing he's not some Billy Corgan-esque control freak. "When we got there," says Fares, "Sam had done the bulk of the work, which is great. You could tell that Brenndan and Sam had been at it 20 hours a day or something ridiculous. We went there to give Sam moral support more than anything else. But he left all these things open for us to do, just so we could put our stamp on the record. It was one of the nicest things I've ever seen."



Onstage, he pulls out all the stops—Mick Jagger swagger, foul-mouthed antagonism

ROBERTS GREW UP in the Montreal suburb of Pointe-Claire, the child of South African parents. "My mom came here during Expo '67," he says, "when Montreal was like the centre of the universe. She went back to South Africa, saying, 'You've got to see this place.' I was born three weeks after they arrived [in 1974]." Sam, the eldest of Alan and Annette Roberts's four boys, started violin lessons at age four (and studied until he was 20). "I was a geek," he says. "My first concert was probably Itzhak Perlman." But he did discover rock as an adolescent, joining a series of groups. In Grade 8, he played guitar and sang backup in The Happy Deathmen. "We did Bauhaus, the Jesus and Mary Chain and Tom Petty covers," he recalls.

Attending a private Catholic high school, Loyola, in Montreal's NDG neighbourhood, Roberts and his friends trained in every day from the suburbs. "Hanging out downtown shaped us in a lot of ways," he says. "We all started dressing like mods." By university—he attended McGill, where he got a B.A. in English—Roberts had graduated to lead singer and songwriter, and started the Britpop-sounding Northstar. The band enjoyed limited success with college radio and small club gigs, finally breaking up in 1998. Then Roberts went travelling. "If I wasn't going to make it in music," he says, "I wanted to be a writer for *National Geographic*." But what he affectionately calls "that bitch rock 'n' roll" still had designs on him.

NOW HE'S MADE the one thing he's always dreamed of, a professional, studio-produced album. The three singles from the EP have been re-recorded and only slightly changed for *We Were Born in a Flame*. While the new CD doesn't have the raw energy of the EP, it's one of the most melodic rock albums out there, with touches of late Beatles and early Oasis. And while he's not yet a Springsteen-, Simon- or even Gord Downie-calibre storyteller, he does capture the malaise of a generation. As their titles suggest, the first four songs—*Hard Road*, *Brother Down*, *Where Have All the Good People Gone?* and *Wreck of a Life*—are downers in different tempos. But Roberts doesn't come across as a whiner, as so many of his contemporaries do. The rest of the record is a real mix. *Every Part of Me*, a bouncy stroll through his idyllic childhood, is followed by *Dead End*, a pounding number about being the family screw-up. There's fun to be had in the psychedelic excursion of *Higher Learning*. And *Taj Mahal*, a gorgeous, soaring, violin-and-piano ode to a lost love, will have arena rock crowds searching for their lighters. Meanwhile, many of the tracks are laced with Canadianisms, and there are even a few verses sung in French.

While they play well at home, the numerous Canuck references may not help Roberts break into the U.S. market. It's hard to imagine heartland Americans joining in on the chorus to *Canadian Dream*: *S-O-C-I-A-L I-S M is here to stay/S-O-C-I-A-L-I-S M is the only way*. "We're telling the story of who we are," says Roberts. "We happen to be Canadian, that's ingrained in us in every way—the way we think, the way we see the world, the way we speak. Whatever we do has to be a very natural expression. If we feel an outburst of Canadian coming on, so be it. Maybe the people in Tulsa, Okla., aren't going to like it, I don't really know."

Nor does he seem to care that much. After all, his band has toured with the Tragically Hip, seeing first-hand the kind of career you can have when you're completely ignored stateside. "You gotta see the guys from the Hip," says Roberts. "They're totally still buddies and they hang out every night and they go out for beers. They're not like the bands that show up and leave in different cars. I'm thinking down the line, and I want to still go out for beers with the guys in the band. I want to be hanging out on a Saturday night watching the game."

Still, Roberts and company promise to do whatever they can—in clear conscience—to become a world class act. Onstage, at least, Roberts pulls out all the stops: Mick Jagger swagger and hip-shaking; beer-guzzling, foul-mouthed antagonism, and the mid-set, emotionally charged claim, "I bleed rock 'n' roll." And if small-town American audiences are looking for something to sing along to, there's nothing more universal than the chorus from *Brother Down*: *I think my life is passing me by*.

Of course, nothing could be further from the truth for Roberts these days. Since finishing *We Were Born in a Flame*, he's taken

PHOTOGRAPH BY MACKENZIE STROH

PHOTOGRAPH BY PETER BREGG/MACLEAN'S

a vacation to Panama, toured Canada, opened for Swedish rock band the Sound track of Our Lives on the U.S. East Coast, and gotten totally wasted during Juno week end in Ottawa. Three days after the Junos, Roberts and I meet in Montreal. He says he'll pick me up at my hotel at "five on the dot." He arrives at 5:05, pretty impressive for a Montrealer, and absolutely amazing for a rock star. Driving his mother's Subaru to the increasingly trendy Mile End part of the city for a café au lait, he's still reeling from the past weekend's festivities. Roberts admits to having been overwhelmed and overindulgent, he was cited in the *Globe and Mail* as being too drunk to give an interview. "I felt like the rookie. I wasn't prepared for the scrutiny. I was more worried about slipping on ice than I've ever been in my life. It consumed me, like the fires of Mount Doom."

Then there was the band's first—and not terribly impressive—nationally televised appearance. "We had eight dress rehearsals—only at the Junos is there eight sound checks," he recalls. "And then we're the only band that has sound problems. I can't figure it out." Outside the coffee shop, a stranger on a bike pulls up and tells Roberts how much he enjoyed that very performance. "Wow," Roberts says when the guy rides off. "I've been freaking out for two days, but maybe people at home saw it totally differently. That makes me feel so much better."

Later in the afternoon Roberts is tucked into a corner at Le Pistol, a popular bar on St. Laurent part owned by his younger brother Dan. Guinness in hand and watching Dan play pool, Roberts really relaxes. After all, there's much more to life than Canadian music awards. Like hockey. It's the first night of the playoffs, and he's worried about conflicting schedules. "It's the most important time of the year, when you put whatever you're doing on hold." He's only half joking about blowing off his upcoming responsibilities—a video shoot, and travelling to New York for last-minute tweaking of the album. "If you don't cheer for the teams you want to win, then there's no way they're ever going to win. It's all up to the spectator on the couch at home."

Just as the first game is about to start and it looks as if Roberts could hunker down at the bar for the night, his cellphone rings. Turns out there are some things even more pressing than hockey or rock 'n' roll. Sam Roberts has to go and pick up his mom.



PHOTOGRAPH BY MACKENZIE STROH

THE DEARS' LABOUR-INTENSIVE LABOUR OF LOVE

Murray Lightburn, the vocalist and composer behind Montreal rock sextet the Dears, likes to joke that his band's second album is a musical homage to *Apocalypse Now*. Released in mid-April, *No Cities Left* wasn't as crippling to produce as the notoriously expensive Coppola film, but it was a trial nonetheless. "The recording was excessive," Lightburn admits. "Subconsciously I felt I had a lot to prove." The band spent half of 2002 in the studio, working with a platoon of musicians and recording about 500 takes for each of the 12 lush, orchestral tracks. Besides the Dears proper—Natalia Yanchak, Martin Pelland, George Donoso III, Robert Benvie and Valerie Jodoin-Keaton, as well as Lightburn—the album features, among others, their label-mate Sam Roberts, on violin. Lightburn says doing it his way was arduous but necessary. "We didn't choose this life," the perfectionist—who says he's in his "dirty 30s"—notes dryly. "This life chose *us*."

Audiences, too, are choosing the Dears, who have sold 2,000 copies of the CD since its April 15 release. For a band that quite literally hammered its last record together, self-releasing 500 copies of the critically vaunted *Protest* EP in steel sleeves the Dears manufactured themselves, that would seem encouraging. But Lightburn's a wait-and-watch sort of guy. "I've heard us called 'the next big thing' a few times. I'll believe it when I see it. One day you're signing photographs and the next day you can't get the teller's attention at the bank because to them you're just somebody with no money."

Lightburn (left), Benvie, Yanchak, Donoso, Jodoin-Keaton and Pelland spent half a year in the studio for their second album

That caution fits with the ethos of the Dears' record label. MapleMusic Recordings describes itself as a safe teething ground for Canada's new stars. Although the company is financed in part by Universal Music Canada, Maple Music retains its creative and financial independence. It's able to do so partly because the label is a wing of MapleCore, which also includes an Internet magazine (*Umbrella-Music.com*), an Internet solutions company, and *MapleMusic.com*, a Canadian music site. "At Maple," says CEO Grant Dexter, "we're not going to look at the bottom line and, if it's bad, say, 'That's it, you've had your one shot.'"

The upstart label offers musicians lower advances than the majors, but a higher share of profits. Dexter says artists like Roberts, Kathleen Edwards and Tragically Hip front man Gord Downie, whose Maple solo record will drop in June, are drawn to the company because it complements the spirit of their work. "I know I'm idealistic," says Lightburn, "but this is a model that works because it's about a relationship between people." JONATHAN DURBIN



Choosing the right university has never been more crucial. We'll help you decide.

In this year of the double cohort, it's more important than ever to find the correct fit between you and the right post secondary institution. The *Maclean's Guide to Canadian Universities 2003* is an indispensable tool that has everything you need to help make this difficult decision easier.

- Profiles of the 68 schools
- Co-op and internship opportunities
- Average entering grades
- Most-popular majors
- Tuition and scholarship information
- Residence and meal options

The *Maclean's Guide to Canadian Universities 2003* gives you all this, plus *Maclean's* exclusive university rankings, which evaluate schools based on resources, reputation and more. Edited by five-time National Magazine Award-winner Ann Dowsett Johnston, the *Maclean's Guide to Canadian Universities 2003* is ideal for high school students of all ages and their concerned parents. Find it on newsstands or order on-line.

GET YOUR COPY TODAY
Look for displays at Chapters, Indigo, Great Canadian News, Relay Airport stores and other fine retailers.
Call 1-866 301 4414 or in Toronto 416-596-3492 (quote Reservation Code M3PA00T00)
Order on-line: www.macleans.ca/2003guide

MACLEAN'S | Canada. In depth.

STOPS YOUR INSURANCE

ROGERS

Pay a little more, get a lot more.
I wonder if my math teacher knows about this?



incredible ROGERS BUNDLES
for as little as $7 more per month*

The Incredible Rogers Bundles. You get Rogers Hi-Speed Internet, Rogers Digital Cable and all Basic and Ultimate TV Pak channels plus so much more altogether in one package

ROGERS Digital CABLE + ROGERS HI-SPEED INTERNET

- Digital quality picture and sound on the TV you currently own
- Interactive Program Guide that lets you surf and watch with picture-in-picture
- Hundreds of movies
- Timeshifting – watch from up to 5 different time zones
- Up to 40 Digital Music Channels

- Fast – Surf and download at high speed
- Convenient – No second phone line required
- Easy – No need to log-on or dial-up
- Exciting – Discover, learn and experience more online

Stop waiting. Start surfing.

On Canada's Most Advanced Digital Network.

Call 1-866-BUNDLE4, visit www.rogers.com or Rogers Video to order the Incredible Rogers Bundle that's right for you.

ROGERS CABLE

Calculation based on the Incredible Starter bundle at $99.99 per month. *$7 price point varies according to customer's existing cable television/Internet subscription. Examples: $7 applies to customer with monthly cable television costs of $48 and who currently subscribes to regular priced Rogers Hi-Speed Internet at $44.95/month, or $7 applies to a customer with monthly cable cost of $48, and who also subscribes to Digital programming, including Pick 10 at $14.95 and digital terminal rental at $8.95 and also subscribes to a competitive ISP at $21 per month. Rogers Digital Cable, Rogers Hi-Speed Internet and Rogers Hi-Speed Lite are not available in all areas. Installation charges may apply. For details about installation options visit www.rogers.com. Basic Cable and Digital Terminal required to receive Rogers Digital Cable. Rogers Digital Cable works on your existing TV. CRTC linkage rules apply. Installation charges may apply. Applicable taxes and connection/relocation fees extra. Deposit may be required on rental equipment. Prices, bundles and offer subject to change. Not all services and channels available in all areas. Cannot be combined with any other Rogers offer. Additional restrictions may apply. Applicable taxes extra. ™Rogers, Mobilink design, Rogers Cable, Rogers Digital Cable and Rogers Digital Cable & Design are trademarks of Rogers Communications Inc. Used under licence.



IT'S GNAWING AT ME

Why does that damned beaver go after *our* trees? He has enough of his own.

I DREAD this time of year. For most Canadians, spring is a time of warm temperatures, blooming flowers and budding leaves. For me, it's cottage inspection time. It isn't weather damage I fear—it's the teeth of the neighbourhood beaver. Like many cottagers I know, I have a laissez-faire attitude toward nature—everything from bats and bullfrogs to dreaded water snakes live unmolested on the island where my family has a cottage. But that beaver crossed the line when he started razing our trees.

Our island in the Rideau Lakes system of eastern Ontario is Lilliputian—think two suburban lots placed end to end—with a thin coating of soil covering solid bedrock. It's not a place where trees easily take root. The only reason the cottage is surrounded by foliage is because we've worked so hard at putting it there. In the past three decades, we've planted some 300 trees, from tiny seedlings foraged from rocky outcrops nearby, to bigger, nursery-grown saplings. But trees there have a mortality rate of 90 per cent, so each survivor represents a victory over the odds.

Just as soon as the ice is out of the lake each spring, one of our family goes to the island to check the cottage for winter damage. Of course, what we *really* want to know is how the trees fared—and in the past decade the news has been bad. Not only was the 1998 ice storm a disaster, Billy the Beaver, as we've named our buck-toothed foe, has been especially voracious. I have nothing against beavers in general. They're a hard-working species serving an important function in nature. They symbolize the stubborn determination of our nation. But this particular *castor canadensis* is testing my Canadianness.

The overgrown rodent lives on the big island next to ours. There's no river to dam, so there should be enough trees over there to satisfy all his stomach-stuffing, tooth-whittling and home-building needs. But no—he swims over to our tiny island. His first victim, a beautiful 12-year-old maple. He quickly felled a few more—birch, cedar and another maple. Hearing about Billy's seeming attempt to clear-cut our island, friends suggested someone who could deal with him in a "permanent fashion." We resorted, instead, to more peaceable means.

We bought chicken wire from the local feed-and-seed and loosely wrapped it around trees on the side of the island facing Billy's home. He chewed down a two-year-old willow further along our shoreline. A few months later, he cleaned his teeth on 24 separate new willow shoots. He gnawed a five-centimetre-deep gash all around the circumference of a birch—all the easier to finish the job later. Each time Billy developed a taste for a different dimension or variety of wood, we reacted. He liked birch, we wrapped birch. He attacked bigger pine trees, we wrapped all the pine.

The next spring, one family member suggested we fill in the gaps by planting some larger trees. He said he would make the arrangements—and then neglected to share the details. Like the fact that he'd ordered a 200-kg red oak, two 160-kg lindens, a 110-kg blue spruce and two 20-kg cedars. Islands have one huge disadvantage—everything has to be transported across water. First, get the trees on the barge. Root balls aren't symmetrical and don't roll in a straight line. The thick boards we were using as a ramp split under the weight of the red oak. Five more trees to go.



Finally, after much heaving and cursing, we got all six on board and crossed the lake. We tied the barge up at our dock only to discover that the day's organizer (who will never be allowed to forget this little adventure) hadn't prepared the ground for the trees. Note to self: don't plant big trees on a rocky island. Ever. Digging deep holes is exhausting and time-consuming. Gouging out six in one day is insanity. Two pickaxe handles cracked under the stress, to say nothing about our nerves. But by the time the sun was setting, all the trees were planted, fertilized, watered—and, of course, carefully wrapped in chicken wire.

Billy was quiet all that summer. The next year, however, he was back with a vengeance, felling a 15-m-tall birch and a big cedar. Meanwhile, his son or daughter launched an assault on one of our two most beloved trees—rare, stately elms that had somehow escaped the ravages of Dutch elm disease. The teeth marks were not tidy and even like dad's. Still, Billy II (or perhaps Billi) nibbled through a quarter of the trunk before giving up (three years later, the tree is still recovering). Luckily, the magnificent 25-m elm at the front of the island remained untouched. Otherwise, we would have dealt with the beaver in the recommended "permanent fashion."

Back to the feed-and-seed. We emptied the place of one-inch chicken wire and started wrapping every tree on the island. Three days later, my hands were covered with blisters and calluses from using wire snips. But the remaining 100-odd trees—scrawny swamp cedars, tiny birch shoots, prickly spruces, and the elms—were all wrapped. Now twice a year, two of us inspect every tree. More than 125 times, we lift up a chicken-wire cage, make sure it isn't getting tight, cut the wild grass next to the trunk and check for disease.

I just got the call about this spring's first inspection. The good news is that Billy seems to have left us alone. But that damn beaver's teeth, and his family, are still growing. So we wait for his next move. M

Patricia Treble is *Maclean's* Chief of Research
To comment: overtoyou@macleans.ca

ILLUSTRATION BY JOSEPH SALIMA

THE TEACHER'S LESSON

An affair with a student is always taboo—even if the teen claims he's no victim

FIRST, the disgraced teacher caught our attention with a sensational new book. Heather Ingram—convicted three years ago of sexually exploiting a minor after her affair with a teen she taught in high school in Sechelt, B.C.—gave a steamy account of her career-ending romance in the recently published, *Risking It All: My Student, My Lover, My Story*. But the student quickly outstripped the teacher. Last week, the youth, whose identity had been protected by a publication ban, successfully asked the courts to allow him to publish his name. "I pursued my teacher, I seduced her," he told reporters outside a Vancouver courthouse, where he arrived in Ingram's SUV with an entourage of friends and a pit bull. Dusty (Straight A) Dickeson, now 21, wants to tell the world he is no victim. And he wants to say it in a song. In gangsta rap, on a CD titled *Teacher Scandal*, to be precise. The lyrics tell the story: *Sunshine Coast/Teacher scandal/Nothing in the world that I can't handle*.

No longer a couple but still friendly, Ingram and Dickeson are embracing the notoriety they once shunned. Ingram is helping her former student write his own book; the one-time accounting teacher is also handling offers for the movie rights to their story. It's a chance to cash in. But the attention also gives Ingram, who stood mute before the female judge who called her "an affront to society," an opportunity to lash out at a legal system she believes treated her unjustly. Ingram, who was 29 at the time, acknowledges that her sexual relationship with the then 17-year-old Dickeson—she uses the pseudonym "Troy" in her self-exposé—was unprofessional; she realized she could lose her job and her teaching licence. But she remains angry that the relationship, which she insists was consensual, provoked a police investigation, a trial and her eventual conviction as a sex offender. "I did not exploit Troy," she writes in *Risking It All*. "I did not in any way coerce him into our relationship. I believe he knew what he was doing when he pursued me, that he did love me."

The idea that a woman like Ingram could sexually assault a street-smart youth would likely have been dismissed outright a decade ago. Such liaisons rarely got beyond the rumour mill, let alone into the courts. In fact, Ingram was one of the first females to be charged under Section 153 of the Criminal Code, introduced in 1985, which makes it an indictable offence for a person in a position of trust or authority to have any sexual contact—consensual or not—with a person under 18. As outrage over her case, and those of about a dozen other female teachers across Canada charged under the law makes clear, women are now considered potential sexual predators.

Several forces are pushing that shift in societal attitudes. First, there is a heightened awareness of child sex abuse in general. "It's thanks to the advocacy of the women's movement and the struggle women had for 30 years that we're talking about it now," says Fred Mathews, director of research for the Toronto Children's Mental Health Centre and author of a 1996 Health Canada report on the victimization of male children. Second, as authorities learn more about the crime and its perpetrators, there's growing recognition that both genders are vulnerable to—and capable of—sexual abuse. Some studies suggest that females commit as many as 20 per cent of sexual violations against children, mostly boys. As a result, it has become easier for males to report abuse. "Society and police agencies are much more receptive to complaints," notes Vancouver lawyer Bill Smart, who represented Ingram.

> 'ONE OF THE problems we have is a mythology in our culture that it's an initiation into manhood to be seduced by an older woman'

The fact that Dickeson initiated the sex is irrelevant. It didn't matter that he was only five months shy of his 18th birthday when he and Ingram began their affair. It didn't matter that his mother approved of the relationship. Under the law, he was a victim. Smart believes the female judge who convicted Ingram wanted to make her an example by giving her the "fairly heavy" sentence of 10 months of house arrest, 120 hours of community service and a year's probation. The message is clear, says the lawyer: "This is criminal and we as a society don't want teachers, no matter how sophisticated the students appear, having sexual relations with them."

There are strong reasons why the law assumed the authority to step in and protect students—even against their will. Consent is notoriously difficult to determine in sexual offence cases. The issue is further complicated by the fact that some minors may fear reprisals from the abuser. As well, experts say even older teens may not have the emotional maturity to know if they are being exploited. And while boys—or their parents—may now be more inclined to report such incidents, it can still go against the macho grain to complain of sexual assault, especially when the predator is a woman. "We don't know if there is coercion or if they're going along with it to save face," says Mathews, author of *The Invisible Boy: Revisioning the Victimization of Male Children and Teens*. "What's a 17-year-old boy going to say—'Oh, I was overwhelmed by a girl?'"

At the core of the debate over male victims lies the touchy issue of gender stereotypes. "One of the problems we have is a mythology in our culture that it's an initiation into manhood to be seduced by an older woman," says Mathews. The old double standard—revulsion at a male who preys on a young girl and tacit approval when a female seduces an adolescent male—may be under siege, but it has yet to be wiped out. "I don't know how to say this without being politically incorrect," says John Lyons, a University of Saskatchewan education professor, "but a Grade 11 boy who is hit upon by his female teacher typically does not complain. I doubt very much that you would find young women who would feel that way." Some parents, too, are reluctant to drop their admittedly old-fashioned views. Outside the Mississauga Private School in Toronto's west end, a father of two teenaged boys said he wasn't concerned that one of the institution's young teachers had been suspended following allegations she had sex with a 17-year-old student. "I would feel differently if I had a daughter," he said, while asking that his name not be used. "I'm not saying it's right, but with girls, it's different."



Dickeson (left), with Ingram in May 2000, has been cropped out of published photos

Ingram's case also highlights society's difficulty in deciding when childhood ends and adult responsibilities begin. In most Canadian jurisdictions, teens can start driving at 16 and join the armed forces at 17. As well, the courts have considerable leeway in dealing with young offenders. "There is a dichotomy," says Owen Wigderson, a Toronto lawyer who represented a female teacher acquitted of sexual exploitation. "On the one hand, you are too young to decide on a sexual partner. On the other, there is a law that says if you have committed a crime when you are 13 or 14, you could be treated as an adult."

At what point *does* a teen become capable of deciding with whom to sleep and when? It's easy to denounce American elementary school teacher Mary Kay Letourneau, who slept with one of her Grade 6 students, for shattering the innocence of a 13-year-old. But

KEITH THIRKELL/VANCOUVER PROVINCE

what about older teens who pursue teachers? Should they be held accountable for their behaviour? The law says no. "These debates are always polarized," says Toronto high school teacher Joe Polito. "People are totally advocates for the kid or totally advocates for the teacher, and it's way too complicated for that." Polito, the father of three twentysomethings, argues that the ultimate responsibility always rests with the teacher. "But I certainly don't look on the kids as 100-per-cent victims," he says. "They must know there is something wrong with that kind of relationship."

The reality of Canadian schools is far removed from the sexually charged classrooms of the popular TV drama *Boston Public*. But, according to some teachers, teens are increasingly precocious. "Kids know more about sex than we ever did," says a 44-year-old female Kingston, Ont., high-school teacher. She adds that she's seen a steady—and troubling—decline in the formality that once separated students and teachers. And teens, naturally, like to test boundaries. One Ontario teacher, right out of teacher's college, says a female colleague had to fend off the advances of a junior high student so aggressive he was eventually suspended for his behaviour.

Educators across the country are taking tough new measures to protect students—and to avoid the hefty civil suits some victims have launched against school boards. "We would like to reduce sexual abuse cases to zero," says Doug Wilson, head of the Ontario College of Teachers. Last fall, Wilson made an unprecedented tour of 15 communities, briefing teachers, union and school board officials on the college's new guidelines, which warn teachers to avoid even the appearance of impropriety. They urge teachers to avoid sending e-mails to individual students and ask them to watch colleagues for signs of a sexual enticement. For transgressors, the penalties are stiff—and embarrassing. Criticized for past cover-ups, the college now holds disciplinary hearings in public and posts names on the Internet.

While no one believes it's appropriate for a teacher to have a sexual relationship with a student, even a willing one, the staunchest of child advocates say teachers may be singled out unfairly. Some critics say the Ontario college is over-reacting—going further than the courts in its treatment of errant teachers. "They sacrifice the individual teacher for the image of the profes-



Dickeson, centre, with Straight A bandmates Chris LaFreniere, (left), and Tornan Nunweiler

sion," says James Battin, who represented Amy Gehring—the substitute teacher acquitted of indecent assault in England—when she returned to Canada. Even though she volunteered to give up her provincial teacher's licence, the college held a disciplinary hearing (Gehring refused to attend) and banned her from teaching for 10 years. Battin calls the college's procedures unjust.

'I CERTAINLY don't look on kids as 100-per-cent victims. They must know there's something wrong with that kind of relationship.'

"In a criminal court, 90 per cent of the evidence they used would not be admissible because it's all hearsay and rumour."

While most teachers welcome the new guidelines, some worry that they will encourage students to lay false accusations. "The chill is picked up by perceptive kids and it can be used viciously," says the Kingston teacher. "An accusation on the part of a student—it doesn't matter if it's true—and that teacher is gone." In fact, teachers are acquitted in about 98 per cent of cases, according to Montreal lawyer Jean Dury. He has represented dozens of Quebec teachers falsely accused of sexual assault, and knows of two who committed suicide because of such allegations. Mathews understands the dilemma. "We want to protect our young from the very few teachers who may cause harm. We also want to protect the innocent teacher from being charged and labelled."

Psychological profiles of female teachers who indulge in sexual misconduct with students show they're typically socially immature rather than sexually deviant. It's an assessment that Ingram accepts. "I believe it was low self-esteem that enabled me to cross the teacher-student line and betray my professional responsibility," she writes. She traces her poor self-image back to her parents' divorce, her mother's mental illness and her own insecurities as a teen. She also blames her common-law marriage, in which she felt "chronically unworthy." With Troy, she explains, "I felt sexual and desirable."

Ingram is rebuilding her life. She has a new job at an environmental firm in Gibsons, B.C., a house and a few dedicated friends. The book is attracting attention and the movie could happen. And Dickeson, the would-be rap star, is preparing to tell the world in his own book how *not* being a victim got him where he is. M

JOHN LEHMANN/GLOBE AND MAIL



The 2003 MDX. If you're looking to chart your own destiny in this world of followers, the Acura MDX is an SUV worthy of your consideration. Now with a more powerful 260-hp VTEC engine, the MDX lets you take on the world your way—from the driver's seat. For more information call 1-888-9 ACURA-9 or visit www.acura.ca.

ACURA

Before You Invest Your Money, Invest Your Time.

EXCHANGES SPEAKER SERIES

presents FREE Seminars on Investing and the Markets

VANCOUVER
February [illegible] 2003
Who Can You Trust? An Investor's Perspective on Corporate Governance
Plaza Ballroom, Hyatt Regency Hotel
5:30pm Reception, 6:00pm Presentation
7:00pm Question & Answer
Phil Dowad, Partner, KPMG LLP
Herb I. Ono, Partner, Clark Wilson
Steve Wilson, Executive Director, B.C. Securities Comm.

CALGARY
[illegible]
[illegible]ion:
[illegible] about Trust Units
[illegible]llroom, Metropolitan Centre
5:30 [illegible] 6:00pm Presentation
7:00pm Qu[illegible] & Answer
Bruce McDonald, Royalty Trust Analyst, Conoco

WINNIPEG
April 22, 2003
Low Cost Investment Strategies

TORONTO
[illegible]
nvesting in Venture Capital

HALIFAX
May 20, 2003
Building a Perfect Portfolio

MONTREAL
[illegible]
Wrestling with Risk

TO RESERVE YOUR SPOT AT ANY OF THE SEMINARS, REGISTER ONLINE AT
http://www.moneysense.ca/exchanges
OR CALL 1-888-463-6847

PRESENTED BY
CFIE
Canadian Foundation for Investor Education
CFIE receives generous support from TSX Group

MoneySense

SPONSORED BY
TSX group
TSX



Percy Weatherbee has just told Billy Lowther his dad survived the Springhill bump

PITS OF SORROW

Two books recall the often tragic lives of the men who worked in Nova Scotia's coal mines

WHY IN THE WORLD become a coal miner? Because until recently there were few other ways for a man to make a living in New Waterford, Stellarton, Springhill or any of the other hardscrabble Nova Scotia towns where coal had always been king. So, like their fathers, grandfathers and great-grandfathers, they took the paycheque knowing full well the awful trade-off: a working life spent inhaling coal dust in the dark, miles below the fresh air and sunlight. At best, going into the pit left a man broken and old before his time. At worst, a job that consisted of carving away the walls standing between you and millions of tonnes of rock and earth could be downright suicidal: a whiff of gas, a few unstable rocks, a spark from two pieces of machinery brushing together, and you're suddenly a name on one of the miner's memorials found in every Nova Scotia coal town.

The province's last coal mine closed two years ago. And a pair of new books provide ample reminder that life underground was always pitiless and often ended badly. *Twenty Six*, a first novel by Nova Scotia writer Leo McKay Jr., tells the story of one family devastated by a mining disaster based on the Westray explosion, which occurred near the author's hometown of Stellarton, in 1992, leaving 26 miners dead. *Last Man Out: The Story of the Springhill Mine Disaster*, by Atlanta, Ga., non-fiction writer Melissa Fay Greene, focuses on the "bump" of 1958, which killed 75 Springhillers and left 19 miners buried alive for more than a week before their miraculous rescue.

The authors found their material via very different routes. McKay, a Giller Prize finalist for his debut short-story collection *Like This* (1995), grew up with the bitter taste of coal dust in his mouth. Greene had never even heard of Springhill until she happened upon the story of how Georgia's racist governor tried and failed to burnish the state's reputation by inviting the disaster survivors for some free R and R (the gesture turned into a public relations fiasco when Maurice Ruddick, one of the heroes of the rescue who also happened to have Afro-Canadian roots, was segregated from his white co-workers). But both writers ended up in the same place—swift, honest, unsentimental storytelling and characters, both real and imagined, vivid enough to rise above their hard, often tragic lives. These are books that hit you like the kick of a miner's drill.

The miners themselves are only bit players in McKay's moving, well-crafted novel. Centre stage is occupied by the dysfunctional Burrows clan and a tragedy—the death of Arvel, one of the two Burrows boys, when an explosion sends a fireball down an unsafe shaft. On the face of it, they're a boozy, brawling, achingly unhappy lot who seem totally unequipped for dealing with their loss. But the book is not as unrelentingly grim as it sounds. It ends hopefully, with a new life for Arvel's widow and an uneasy reconciliation between the family patriarch, Ennis, and his remaining son, Ziv, a university dropout who couldn't hack life in the pit and settled for a job at Zellers. "The question I wanted to answer," McKay, a high-school creative writing teacher, told *Maclean's*, "is how do you go from death to life?"

Last Man Out is also more about the living than the dead. The 19 survivors trapped by the Springhill bump made it to the surface through a mixture of luck, skill and endurance. "There were heroes underground," Greene explained in an interview. "But it had virtually nothing to do with the way they were perceived afterwards by the media, variety show host Ed Sullivan and the people of Georgia." The disaster and subsequent rescue were the world's first modern media event. And one of the book's most fascinating sections deals with the peculiar nature of heroism—the way experienced miners were undone by being buried hundreds of yards underground while other, unlikely leaders came to the fore.

Ruddick, a usually deferential father of 12 who dreamed of making it in showbiz, was among them. After the rescue the media, desperate for a hero, inflated his role in the drama by transforming him into the "singing miner," whose baritone kept the flagging spirits of the other trapped men going while they waited for help. Ruddick fantasized about some kind of ambassadorship. However, his fame quickly faded, and he was even ostracized in his hometown, where the mine folk resented his hero status. Though he was one of the lucky ones who escaped from the bowels of the earth, Ruddick died poor and obscure in Springhill—proof positive that the coal mines get everyone in the end.

AMHERST NEWS/CP ARCHIVE

'WHAT A COMMOTION'

On the night London celebrated the end of war, it felt 'good to be in uniform'

The Dominion Institute is compiling a digital archive of memories and memorabilia from war veterans across Canada (www.thememoryproject.com). One vet, Edna Wilson, spent the final year of the Second World War working as an air force clerk in London. Wilson, who is 81 and lives in Ottawa, contributed the old photos on these pages as well as a letter she sent her older sister, Blanche, the day after celebrating the end of the war in Europe. Some of that letter is excerpted below.





Wilson, above and at left in her Royal Canadian Air Force uniform, is one of hundreds of vets who've contributed to the Dominion Institute's The Memory Project

May 9, 1945

Dear Blanche,

Well this is what we've been waiting for, and what a commotion. It was really something to see cold, mind-my-own-business Londoners prancing around with paper hats on, wearing ribbons and carrying flags—some of them even forgot themselves so far as to carry noisemakers and went whistling or rattling along the Strand. People went around in gangs, singing down the street. They'd throw their arms around other people's shoulders and they'd all join in. I heard the greatest variety of songs, from *Tipperary* to the *Volga Boatman*.

Monday night they announced VE Day would be Tuesday, but people didn't wait to start celebrating. None of us went to work. We have two days off—one to celebrate, one to recover. Tuesday we relaxed and didn't do anything of note. About 7 o'clock, Art and I and Mac and Mabel started down town. We gave up on the idea of going through Piccadilly and went to Charing Cross and walked down the Strand to Trafalgar Square. This is where the mob was. People were all over the lions and the steps of poor old Nelson's monument. The tide was going down the Mall, so we went down. Here is where people were really singing. Gangs arm-in-arm across the road took everything in their stride. We ended up with thousands of others on the steps of Victoria's monument in front of the Palace. What a squash! We listened to the King's speech on the loudspeakers. Then, we started to think about how dry we were and decided to come home.

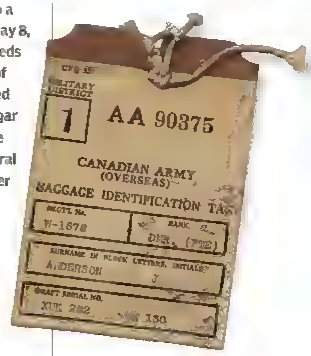
It was a beautiful night, and warm. As we left, they turned the floodlights on the Palace. Quite a few buildings were flood lit, signs were lit up, windows, car lights were on—it sure looked odd. We reached one pub that was open. All they had was lemonade, but it was wet. We finally made it to Holland Road about 11:30 to discover our own pub was still open. Mac ordered pints with no arguments from us. All the local characters were there. About six middle-aged women did a conga up and down the floor. People were singing like mad. French Bert, who used to live here, had a flag draped around him. The place had its usual quota of Canadians. The Horvath family was there. One old boy had a glass of about two-gallon capacity and made great inroads on it. At closing time Bert conducted patriotic songs, standing on the bar. Finally we got home and went to Mabel's room for coffee. I stumbled to bed and hardly remember hitting the pillow.

It's almost worth the year over here to be in London on VE night. Maybe it didn't make thousands of people consoled to their losses, but in spite of it everybody was happy. It made one feel good to be in uniform. I expect to work darn hard for the rest of the week. So long for now.

Love, Edna





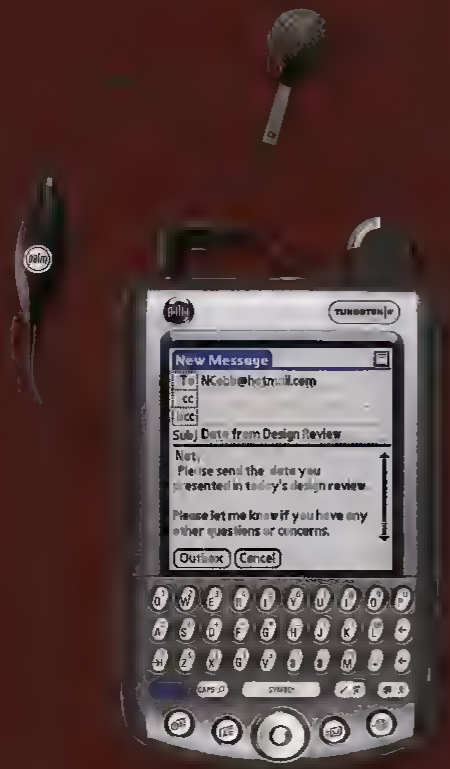


Traffic came to a standstill on May 8, 1945, as hundreds of thousands of revellers rushed out into Trafalgar Square and the streets of central London to cheer the defeat of Hitler

PHOTOGRAPH BY MACKENZIE STROH

COURTESY OF EDNA WILSON (ALL HISTORICAL)

TUNGSTEN | W



BABY MONITOR FOR CLIENTS.

Introducing the Palm™ Tungsten™ W handheld. It combines secure, GPRS wireless data and GSM phone functionality* with classic applications for everyday business like spreadsheets and contact information. Check schedules while talking on the hands-free headset. Send email. Browse the Internet. Create or edit a presentation. Plus, take advantage of advanced phone features like 5-way conference calls, callback reminders, and "quick connect" for dialing key calls directly from your handheld's address book. It's the ultimate communications device from Palm.

palm

ROGERS AT&T WIRELESS

*Wireless data and voice services required and provided by Rogers AT&T Wireless. Not available in all areas. Rate plans vary. Simultaneous wireless voice and data sessions are not available. See palm.com for complete details. Rogers Communications Inc. used under license. Rogers™ AT&T Corp. used under license. Screen image simulated. ©2003 Palm, Inc. All rights reserved. The Palm logo is a registered trademark of Palm, Inc. Palm, Tungsten and the Tungsten logo are trademarks of Palm, Inc. Other products and brand names may be trademarks or registered trademarks of their respective owners.

CLOSINGNOTES



COMPUTING | 64

Tablets are toys for tired typists

With a twist and a snap, this laptop converts into a nifty portable notepad. Use it to jot down thoughts and comments, or scribble and send e-mails. It even gives the art of doodling a high-tech boost. And yet, it's not entirely practical for the average consumer.



PEOPLE | 66

Something to Crow about

Five years of searching for just the right words paid off for *Crow Lake* author Mary Lawson.



Celebrity | Winnipeg preps for the J. Lo show

Jennifer Lopez is getting a lot of northern exposure these days. The movie star, pop diva and clothing and perfume super-flack is currently filming *An Unfinished Life*, with Robert Redford, in Kamloops, B.C., and Vancouver. Next month, J. Lo will head to Winnipeg to begin shooting *Shall We Dance*, a Miramax Films romantic comedy starring Richard Gere as a married man with a roving eye and Lopez as his curvaceous object of desire. Rumours abound that the location, originally slated for Toronto, was changed due to the recent SARS scare. But the film's producers insist Winnipeg got the nod because of its abundant Chicago-style historic architecture (the movie is set in Chicago). Whatever the reason, Winnipeggers are looking forward to Jenny walking their block. "This is huge," enthuses Kenny Boyce, the city's manager of film and cultural affairs. "We're very, very excited."

Small wonder. While Winnipeg's fledgling film industry grew more than four fold in the last five years, accounting for $85 million in revenues in 2002, that's pocket change compared to the $1.2 billion in film revenue generated that same year in Toronto or Vancouver's over $1 billion booty. *Shall We Dance*, with a budget estimated between $55 and $70 million, is by far the largest film production in Winnipeg's history. The closest competitor, *Framed*, a $12 million made-for-TV movie starring Rob Lowe and Sam Neill, shot in 2001. According to Boyce, *Shall We Dance* will pump "millions" into the local economy, benefiting everyone from hoteliers to carpenters. Not to mention the city's image as J. Lo sightings get beamed around the world. BRIAN BERGMAN

Lopez is currently shooting in Kamloops, B.C. (above), before moving on to Manitoba with Gere



Listings | For the kids

Milk International Children's Festival of the Arts, May 18-25
Harbourfront Centre hosts theatre and musical productions for young audiences—as well as offstage activities, including sculpture stations and an introduction to LOMO photography.
www.harbourfront.on.ca/milk
Toronto

Calgary International Children's Festival May 20-24
Fourteen shows will be staged during the five day downtown festival, including *Moby Dick* and *Two Guys Dancing About Math*.
www.calgarychildfest.org
Calgary

Vancouver International Children's Festival May 26-June 1
Australia's Flying Fruit Fly Circus and Vancouver's eight to 11-year-old tap champs Da Boyz are part of this year's event.
www.vancouverchildrensfestival.com
Vancouver

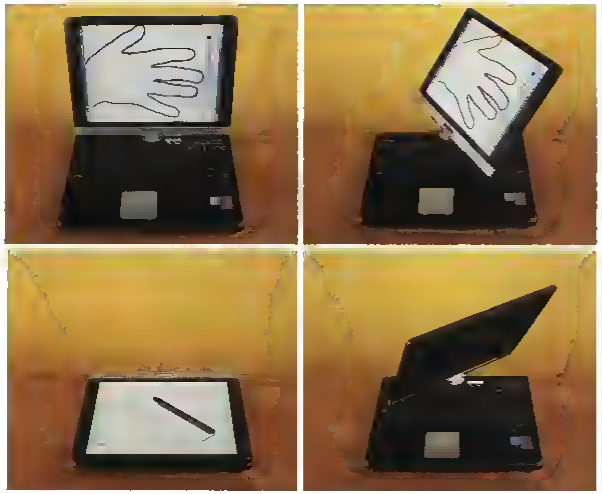
Winnipeg International Children's Festival June 5-8
Musician Fred Penner, Brazilian acrobats, dancers and many other performing artists will be entertaining at the Forks.
www.kidsfest.ca
Winnipeg

CLOCKWISE FROM TOP LEFT: PHOTOGRAPH BY PAUL WEEKS. PHOTOGRAPH BY PETER BREGG/MACLEAN'S. THE CALGARY SUN. FRANZISKA KRUG/CP ARCHIVE



Internet | Red-blooded girls

Marketers will go to great lengths to get teens interested in their products. Take, for example, the ultra-strange Web site *cool-2b-real.com*, in which the U.S. Cattlemen's Beef Board and National Cattleman's Beef Association target teen girls. In the Smart Snackin' link, the site offers food choices for "real girls," including a barbecue beef sandwich, a bowl of chili and an English muffin pizza with ground beef. A bizarre meating place.



Computing | Etch A Sketch for business types

Microsoft's tablet PC is the kind of ground-breaking technology that makes sense. Who wouldn't want a computerized notepad to record your thoughts and send off hand-written e-mails? But like a car that runs on hydrogen fuel cells, this new toy is still too expensive and impractical for the average consumer.

Portable tablets look like a cross between a flat-screen TV and a clipboard, and allow users to scribble notes right onto the screen using a special digital pen. While they come in several different models, all tablets connect to the Net or to other computers wirelessly (Wi-Fi is standard in all) and have no internal CD or floppy disc drives. Some are devoid of a built-in keyboard. Others, like the $3,700 Toshiba Portégé 3500 (used for this review), convert from a conventional laptop into a tablet with a twist and snap of the LCD screen.

With the Windows Journal program, users can scribble notes in different colours and pen-tip thicknesses, highlight the important bits and then e-mail the documents to another person. You can also open Office XP files and make notes directly onto e-mails and documents. Oh, and doodling feels as natural as it did in math class.

While the concept is great, there are some frustrating glitches, particularly with handwriting recognition. The software is supposed to convert your script into type, but it sometimes lacks accuracy, especially with the "@" symbol. Also, while using a pen to scroll down Web pages and click icons is instinctively simple, lefties may find their hand sometimes obscures the screen.

Bottom line, the tablet PC is a technical wonder, but seems a good fit only for business types who work in a wireless environment and see scribbling a memo as more convenient than typing one. For the average user, the high price and hardware limitations mean this gadget is still two or three years away from being revolutionary.

Compiled and written by Michael Snider, msnider@macleans.ca

How-to | Digital memories

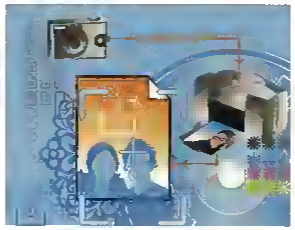
So where do you keep your undeveloped rolls of film? I used to keep them in my sock drawer, and it would sometimes take me weeks to get the film to the lab. With the purchase of a Canon S200 digital camera (a discontinued model, priced at $400), those days are behind me. I've become a real shutterbug and have uploaded an abundance of photos onto my computer. But so far, I haven't made many prints, even though it's quite simple and increasingly less expensive. Here are some options for developing digital pictures:

PHOTO LAB: Most developers can make prints from digital cameras just as easily as they can from film. Take the camera's memory card or a CD with your pics burned onto it to the same place you'd take your film.
Pro: No fuss, and about same price as film.
Con: The drop-off and pickup.

KIOSK: For the hands-on approach, try a kiosk. Kodak has some 700 yellow kiosks around the country in drug stores and photo labs. Slide a CD, floppy disc or memory card into the bank machine-like unit and use a touch screen to select, edit and crop the prints you want.
Pro: Fun to use.
Con: Slightly more expensive, long wait for 24 pics.

HOME PRINTING: Photo-capable printers are dropping in price and produce increasingly better-quality prints. Hewlett-Packard's hp photosmart 230 mini-printer ($300), spits out 4-by-6 inch prints every two minutes or so. Canon's i70 ($400) can print anything from wallet-sized photos to 8 ½-by-11s. The hp printer has slots for memory cards, and some Canon digital cameras can plug right into the i70.
Pro: Do-it-at-home instant results.
Con: Paper and ink run out quickly.

ON-LINE: Upload shots from your camera, log onto a service like Japan Camera's JPrints or Black's Online Photo Centre, and send them off electronically, right from your home computer. Black's lets you edit pictures and add messages like "Hi, Grandma!" A few days later the photos arrive by post.
Pro: Convenient and fun.
Con: Waiting for the mail.





Meetings just might become obsolete.

Our data solutions give you the freedom to work anywhere, anytime and on any wireless device, from phone to PDA to BlackBerry. So whether you're accessing your office e-mail or the wireless web, you're totally connected, totally productive. Which makes your boardroom table about as antiquated as the old way of doing things. And on Canada's most extensive voice and data network, it's a whole new business day.

ROGERS AT&T WIRELESS

SHOP AT WWW.ROGERS.COM 1 800 IMAGINE OR A ROGERS AT&T STORE

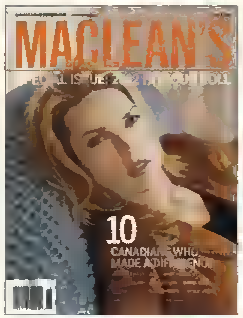
TOP TO BOTTOM: ILLUSTRATION BY CLAUDIA DAVILA, PHOTOGRAPHS BY PAUL WEEKS, ILLUSTRATION BY CHRISTINE STEPHENS

Tell us about the local heroes in your community

The July 1 issue of *Maclean's* will feature our 17th annual Honour Roll. This cover feature profiles 10 Canadians who have made an important difference to our country. Previous honourees include such distinguished Canadians as Robertson Davies, Roberta Bondar, Robert Lepage and Diana Krall.

We invite you, our readers, to submit nominations for the 2003 Honour Roll, including testimonials of 50 words or less. To be eligible, candidates must be Canadian citizens who made a significant contribution to the life of the nation in the past 12 months.

Maclean's seeks people from a wide variety of fields, from the well known to the quiet heroes. There is only one exception—those who are involved professionally in politics.



SEND YOUR SUBMISSIONS TO:
The Editor, *Maclean's*
One Mount Pleasant Road, 11th floor
Toronto, ON, M4Y 2Y5
OR FAX (416) 764-1332
OR E-MAIL honour@macleans.ca

MACLEAN'S | Canada. In depth.

ROGERS



People | Mary Lawson and the messy business of emoting

First impressions of author **Mary Lawson** suggest a stereotypical British lady—reserved, quiet, selecting her words carefully. Background details support this image. She was born in rural Ontario but moved to England in 1968 (she currently lives in Surrey). She was brought up Presbyterian. She tinkered with *Crow Lake*, her hugely successful 2002 novel about a young zoology professor from a northern Ontario farming community, for five years before it was published. Second impressions, however, reveal a warm and funny woman whose modesty is refreshing. "The sound of a rejected manuscript coming through your letter box is unique in history," says Lawson, 56. (*Crow Lake* was turned down for three years before Lawson found an agent and a publisher.) "And your heart just goes . . . ," she whistles softly and makes a spiralling motion with her hand.

But it's a sound Lawson won't likely hear again—she's currently working on a second novel as part of a two-book deal. And the rights to *Crow Lake*, now in paperback, have been bought by publishers in 19 countries throughout the world. "Brazil," she says. "Why Brazil? And Latvia!" Chalk it up to the universal theme of dysfunction—specifically, the way a family smothers its feelings. "I still remember my mother's shock when she saw a bumper sticker that read 'Have you kissed your kids today?' " Lawson chuckles. "This business of thou shall not emote, I thought it was just a Presbyterian thing, but it's not." AMY CAMERON

Diversions | Ron Sexsmith



What the Toronto-based musician (*Cobblestone Runway*) likes:
MUSIC: NEW MORNING by **Bob Dylan**. "He plays the piano on almost every song. He's such a great piano player and is so underrated for it."
BOOKS: THE PICTURE OF DORIAN GRAY, by **Oscar Wilde**. "It's a bit Gothic, but really funny as well."

PHOTOGRAPH BY PETER BREGG/MACLEAN'S, COURTESY OF GRAHAM KENNEDY

Books | A distant echo

Prime numbers, those that can be divided equally only by themselves or by one, are both mysterious in mathematical theory and vitally important in e-commerce. As Marcus du Sautoy's *The Music of the Primes* (HarperCollins) points out, primes are at the core of electronic encryption. Without 100-digit primes, secure data transmission would be impossible. But, ironically, it's only because no one has ever found a pattern to the numbers that the system works. Mathematicians, in fact, know enough about primes to build Internet codes, but not enough to break them. That adds a commercial imperative, including a $1-million prize offered by a rich Bostonian, to mathematics' Holy Grail—plotting the score of the primes' hidden music. The idea there *is* a pattern somewhere is more an article of faith than anything else, but du Sautoy offers an engaging account of those—including John Nash of *A Beautiful Mind* fame—who have tried and failed to make "the primes sing."



BESTSELLERS

Fiction

		POSITION LAST WEEK
1.	ORYX AND CRAKE, Margaret Atwood (3)	1
2.	THE LIGHT OF DAY, Graham Swift (2)	10
3.	THE LOVELY BONES, Alice Sebold (41)	2
4.	THE KALAHARI TYPING SCHOOL FOR MEN, Alexander McCall Smith (1)	
5.	THE ROMANTIC, Barbara Gowdy (14)	3
6.	THE KING OF TORTS, John Grisham (11)	4
7	THE LAST CROSSING, Guy Vanderhaeghe (38)	8
8.	TWENTY-SIX, Lee McKay Jr. (3)	9
9.	CRABWALK, Günter Grass (1)	
10.	PATTERN RECOGNITION, William Gibson (11)	6

Non-fiction

1.	PARIS 1919, Margaret MacMillan (27)	1
2.	KRAKATOA, Simon Winchester (5)	7
3.	STUPID WHITE MEN, Michael Moore (61)	3
4.	EMPIRE, Niall Ferguson (4)	2
5.	LEAP OF FAITH, Queen Noor (7)	4
6.	WHEN THE BODY SAYS NO, Gabor Maté (8)	5
7.	THE CRISIS OF ISLAM, Bernard Lewis (5)	6
8.	ON THE NATURAL HISTORY OF DESTRUCTION, W.G. Sebald (11)	10
9.	GOD'S SECRETARIES, Adam Nicolson (1)	
10.	THE APPRENTICE, Jacques Pépin (1)	

() Weeks on list
Compiled by Brian Bethune

INTERNET GUIDE

Mastermindtoys.com
Ships in Canada and the U.S.
FREE gift-wrapping and gift tags

The 100% Canadian on-line toy store with Lego, Thomas and Brio wooden trains, Corolle dolls, K'NEX, science kits, a librarian-built book selection, puppets, arts & crafts, brain-teasers, jigsaw puzzles, board games, music, software and more.

mastermindtoys.com

Henry's Photo, Video, Digital
www.henrys.com
email: info@henrys.com

HENRY'S

Over 4,000 photo, video, digital and used products, 90 years in business. Secure transactions, downloadable e-flyers and auctions. We ship Canada-wide on a daily basis. Your best Canadia imaging resource.

Lamin-8 Services Inc.
Order PHOTO PLAQUES at www.lamin-8.ca

LAMIN·8 Picture Perfect Lamination

Turn your favourite digital pictures into laminated plaques. Visit our website and send your photos—we'll print, mount and laminate a top-quality 8 x 10 for only $18.00 plus taxes (includes free delivery Canada wide). Ready for easy hanging or desk-top display. Perfect for gifts.

Global On-line System
www.whealthy.net
1-888-373-8503



Need more income? Ready for a change? Work at home on-line with this proven Internet system. Modeled on federal government regulations and Better Business practises. Earn $500-$5,000+ per month, part to full time. One-to-one training and support.

Quality of Course Inc.
www.qualityofcourse.com
1-800-267-1829

Want to write? Our unique home study course shows you how to write well and how to get your work published. You succeed or your fees are refunded. Ask for the FREE book that explains it all.

Paul DioGuardi, Queen's Counsel
Tax Lawyer (37 Years Experience)
416-657-4408 or 613-237-2222
www.dioguardiandco.com



Undeclared Income?
(Canada & Offshore) Avoid Criminal Prosecution & Civil Penalties

Wellington on the lake
www.wellingtononthelake.ca
1-800-353-7823

Wellington on the lake

One of Canada's finest active adult communities for people who dream of living on the shores of Lake Ontario in picturesque Prince Edward County. **Country living at a fraction of big city prices.** Please visit us at **www.wellingtononthelake.ca**

After 911 secrecy is dead! Foreign financial institutions, such as offshore banks and brokerage firms, now provide confidential client information to government. Before you're caught, we can negotiate a beneficial tax settlement on a **no name (anonymous) basis**—no need to proceed further unless fully acceptable. Lawyer client confidentiality assured (unlike us, your accountant cannot offer this legal protection). Substantially discounted tax settlements possible.



Earn a degree without interrupting your career

Athabasca University & Canadian Virtual University

www.cvu-uvc.ca/offer



THE FINE ART OF DENIAL

Remember when the Liberals used to salute Jean Chrétien? Neither do they.

PERHAPS IT'S GIDDINESS at the first sighting of green in ages—or just the dawning realization that Jean Chrétien's rigor mortis years are coming to an end—but Canada's capital is bursting with new ideas these days. Sacred cows are being slain, trial balloons launched, conventional wisdom turfed, the baby thrown out with the bathwater. It seems the deep thinkers inside the Liberal government—ministers or past ministers all—haven't been totally enamoured of The Boss's famous incrementalist leadership style. Despite past proclamations that theirs has been the best of governments, plenty, they now say, needs to be—and should have been—done long ago. It makes you wonder where these people were in the past 10 years, if not in a position to actually do those things.

Leading the list of the "I've got a better idea" Liberals is Paul Martin. The heir presumptive was Chrétien's *consigliere* for 90 per cent of the latest Liberal reign in Ottawa—so much so that for much of that time, many regarded him as a sort of dual prime minister. As finance minister until he quit/was fired/whatever last June, Martin presided over the deterioration of social services, particularly health care, the emasculation of our already wimpy armed forces, and said nary a cautionary word about Canada's vanishing influence in the world.

Wrong, wrong, wrong, Martin now insists. Sure there were reasons for his miserly approach to all needs in the past, but he still maintained a white-knuckled grip on the money spigot years after the deficit had been wrestled to the ground. Now, as he seeks to make friends and influence delegates, Martin would make amends. He blasts Chrétien's February health accord, saying the government missed an opportunity to fix the real problem. When he's in charge, he'll slash the long waiting periods patients must survive in order to get treatment—something that will no doubt require hundreds, if not thousands, of costly new doctors and nurses. He undermines Indian Affairs Minister Robert Nault by declaring he would not pass, without changes, the native governance bill. He would share the 10-cent federal gasoline tax with the cities. He would spend on social housing. He would restore in a heartbeat the $25 million his rival, John Manley, cut from the Canadian Television Fund. Mostly, Miserly Martin would morph into Profligate Paul.

But it's in the area of foreign policy and military might that Martin has done the hardest thinking. That's because until a few weeks ago, nobody knew he *had* thought much about these matters. Now, it seems Martin is aghast that Canada punches way below its weight—militarily speaking—in the world. Not only would he move pronto on new helicopters for the Navy—the ones the government quickly cancelled following the 1993 election in accordance with the Liberal Red Book primarily authored by none other than Martin—but he would significantly increase military spending. Nothing less than our sovereignty depends on it, he says.

On foreign policy, he would stand decades of Liberal orthodoxy on its pointy head. The world has changed since Sept. 11, he argues, and Canada must adapt. Rather than being UN-centric, he would steer Canada into the U.S. orbit. He would support George W. Bush's pet missile defence project. He would not let yesterday's institutions, such as the United Nations, stand in the way of new, more relevant groupings of nations asserting their leadership, or prevent Canada from joining future U.S.-led foreign adventures if they advance Canadian values and interests. "Multilateralism is a means, not an end," he says. The only subject upon which Martin doesn't seem to have an opinion is gay marriage, something he would rather skip discussing and leave to the Supreme Court to make its ruling.

Martin's rivals, Manley and Sheila Copps, haven't been shy either on the policy rethink front. But given that they're still in cabinet, they've had to be more careful about denouncing past nostrums. Their biggest contribution to the debate so far has been on gay marriage and decriminalization of marijuana use—they're keen on both—and of course, on the sniping front. Ever since Manley was impolite enough to blurt out the obvious—that Copps wasn't a "serious" leadership candidate—the former rat packer has been practically leaping from Commons benches to get at her adversaries. She sucker punched Manley with a story suggesting that the finance minister was reconsidering his television fund cut when he wasn't. Then, Copps cold-cocked Health Minister Anne McLellan, a loyal Martinite, by accusing her of being asleep at the switch while SARS raged in Toronto and ruined the city's reputation, not to mention its tourism industry.

The trouble with all this "new thinking" is that there's no copyright on ideas. And there's no greater policy thief than Jean Chrétien. The Prime Minister, no friend of Martin, has already adopted some of his former minister's views on parliamentary reform. Now, the government seems on the verge of embracing Bush's Star Wars dreams, if only to cozy up to Washington after the Iraqi no-show. It doesn't hurt that the more Martin policies Chrétien can get in under his February retirement wire, the less his nemesis can separate himself from the regime he left behind. New ideas are all well and good, the old Don must figure, but some old-time practices are just too delicious to cast away. M

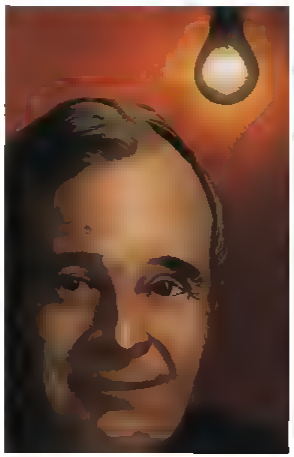


ILLUSTRATION BY ERIK MOHR

Julian Beltrame is *Maclean's* Ottawa Correspondent. To comment: response@macleans.ca

URBAN ADVENTURE #11
FORAGING FOR FOOD





INTRODUCING THE NISSAN MURANO
THE SUV FOR URBAN ADVENTURES

Foraging for food has never been this much fun. From Thai to tapas to Tex Mex, there's no end to the culinary adventures you'll enjoy in the new Nissan Murano. And whether you're dining at the hottest five-star grill or the coolest roadside diner, Murano's striking design is sure to attract lots of attention.

With an award-winning 245 horsepower V6 engine, nimble car-like handling and the capability of All-Wheel Drive, you'll be choosing pick up over delivery every time. And Murano is the first and only V6 SUV with a CVT™ (Continuously Variable Transmission). This state-of-the-art technology eliminates the steps between gears ensuring a smooth, quiet ride and astonishing fuel economy.

Looking for an out of the way café? It's a breeze with Murano's available DVD-based Nissan Navigation System*. Simply type in your destination and the console will show you not only where the eatery is located, but also the fastest route to get there. But while restaurants are nice, once you've experienced Murano's luxurious interior you may find yourself craving a visit to the drive-thru. Heated front seats, Dual-Zone Automatic Climate Control and an in-dash 6-disc Bose® Audio System make for a true fine dining experience. Life's full of adventures. Murano lets you make the most of them.

NISSAN

www.nissan.ca

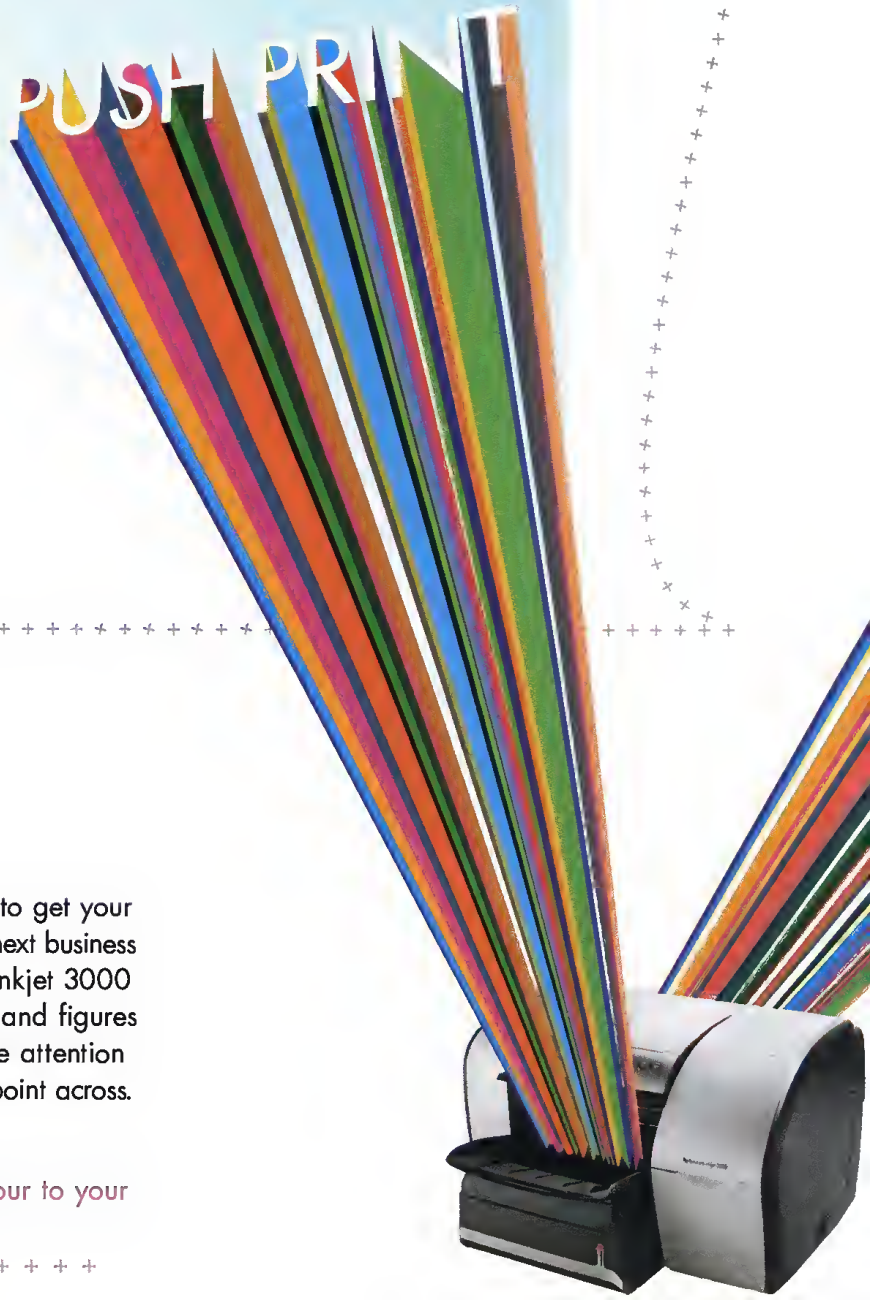
SHIFT_adventure

*Optional on SE model. Factory-installed system. Never program while driving. GPS service may not function properly when satellite reception is weak. See Navigation System owner's manual for details. Mapping may not be available in all areas. Periodic updates to the DVD will be available. Nissan, the Nissan ® and Symbol, "SHIFT_adventure" tagline and the Nissan model names are Nissan trademarks.

©2003 Hewlett-Packard Development Company, L.P.

invent

When you're ready to be heard,



hp

Now you don't have to raise your voice to get your point across. Simply use HP colour in your next business presentation. And with the HP Business Inkjet 3000 colour printers, you can bring your facts and figures to life by using rich hues that capture the attention of your audience. HP colour. It gets your point across. It gets you heard.

To find out how to effectively apply colour to your next presentation, visit hp.ca/gocolour